

# REA PRESS DIGEST

CURRENT SERIAL RECORD

A semi-monthly summary of press and radio items concerning REA.

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U.S. DEPARTMENT OF AGRICULTURE

POWER LINES, DAMS PLANNED FOR SOUTHWEST: POSTWAR INDUSTRY AND RURAL ELECTRIFICATION CO-OPS TO NEED GREATER OUTPUT OF ELECTRICITY (Washington AP dispatch in Wall-Street Journal, January 8) — Development of a vast postwar network of electric power lines throughout Texas, Oklahoma and Arkansas, controlled by the Southwest Power Administration, was discussed today by SPA and Interior Department officials.

Meeting with Under Secretary of the Interior Abe Fortas were Douglas Wright, SPA Administrator, and Lee Simmons, in charge of the power division at the Big Red River Dam on the Oklahoma-Texas line near Denison, Texas . . .

A provision of the Flood Control Act authorizes the Interior Secretary to construct power lines to distribute energy of the existing and proposed dams if no other facilities are available, Wright said, adding that he would take data concerning this matter back to Tulsa for study.

Wright stated that unlimited postwar manufacture of electrical appliances and probable continued expansion of rural electrification lines should create a market for all the energy that can be generated throughout the Southwest . . .

Under the Flood Control Act, municipalities and cooperatives would have first call upon power generated at SPA-handled power projects and distributed through lines built by the Interior Department . . .

ARKANSAS RURAL POWER PLEDGE BY UTILITY DOUBTED (Post-Dispatch, complete edition, December 30) — C. Hamilton Moses, president of the Arkansas Power and Light Co., who this week said his company would build lines anywhere it can get two customers and one prospect per mile, a few weeks ago "scoffed" at the idea of electrifying 47,000 rural dwellings in Arkansas, acting Administrator of Rural Electrification William J. Neal said here yesterday.

The AP&L president, in connection with a hearing before the State Utilities Commission Thursday, claimed his company had adopted the same formula for extension of rural distribution lines as that announced by Neal at a recent meeting in Little Rock.

Acting Administrator Neal's statement said:

"I have no way of knowing what formula Mr. Moses' company has adopted for the purposes of the hearing now in progress before the Arkansas State Utilities Commission. I recall, however, that a few weeks ago Mr. Moses emphatically declared that the proposal made by REA borrowers in Arkansas to electrify 47,000 rural dwellings within three years after construction can be resumed, was too ambitious. Mr. Moses scoffed at the idea of electrifying 47,000 rural dwellings in Arkansas, in spite of the fact that more than 290,000 rural dwellings in the State are not yet electrified."

"If Mr. Moses' company now plans to build lines wherever two consumers and one prospect can be reached, he has evidently been strongly impressed by the soundness of the cooperatives' area coverage plans."

"I think leaders of cooperative rural electrification in Arkansas are better qualified than I to judge whether or not Mr. Moses' company will equal the performance of the cooperatives."

"Our records show that Mr. Moses' company and all the other power distributors in Arkansas were serving only 3,000 farms when the REA program was started in 1935, and that of the 35,000 farms electrified since that time, more than 20,000 are on REA-financed lines. Mr. Moses apparently did not learn until recently that rural electrification is a sound business proposition."

RURAL ELECTRIC COSTS (Burlington, Vt., Free Press, December 22, editorial) — A recent editorial in the Rutland Herald brought a letter from William J. Neal, acting administrator of the REA . . . containing some very interesting figures.

It is stated that studies indicate that the recent increase in the number of electrified farms in Vermont has been from 52 per cent of the total number of farms in 1939 to 65.3 per cent on June 30, 1944. . .

The WPB, recognizing the importance of electricity to agriculture during the period of labor shortage, has permitted connection of farms to rural power lines under certain prescribed conditions . . .

Mr. Neal points out that the Vermont Electric Cooperative . . . has fewer than  $\frac{1}{2}$  consumers per mile on the average, and its revenue per mile is around ten or eleven dollars per month. Yet it has met all its payments of interest and principal under its loan contract with the government and paid some \$35,000 ahead of schedule..

Naturally the question arises as to how it has been possible to reduce the minimum on which such operations could be carried on successfully. The REA Acting Ad-

"Some part of the reason for this is inherent in the business form selected by these farmers to get electric service for their farmsteads. In a cooperative the urge is to keep costs down by every means. All members of the Vermont REA cooperatives read their own meters and those of the Vermont Electric Cooperative and the Halifax Electric Cooperative even make out their own bills. They patrol the lines, report outages and perform other services free, which saves money for the co-op. They understand that the loans from the government must be repaid with interest and that the sooner their co-ops are out of debt, the sooner they will own the lines outright."

Nothing about taxes was mentioned in the letter. They play an important part in the cost of electricity to the consumer who buys from a private company.

**VOTE FAVORS PRIVATE POWER OVER U. S. OFFER** (Los Angeles Times, December 31) -- Backing the decision of their directors in refusing to approve a federally-promoted Rural Electrification Administration project, members of the Foothill Electrical Association have voted to accept a Pacific Gas and Electric Company contract for the supplying of power.

The area, lying in the Sierra, was the scene of vigorous campaigning, climaxed with the completion of the count of the mail vote today.

The REA had proposed to loan the association \$260,000 to construct a supply line to be publicly administered while the PG&E agreed to construct a similar line and supply the electricity.

The utility will construct the extension lines at no cost to the individuals in the area. Electric service will be furnished at the same rates that are applicable to rural service throughout the San Joaquin Valley, with a minimum of 60¢ per month.

**OBJECTIONS BY COOPERATIVE TO COMPANY'S LIBERALIZED EXTENSION RULES REJECTED** (Public Utilities Fortnightly, January 4) -- Holding that it is in the public interest to make electric service available to as many rural dwellers and agriculturalists as possible, the California commission approved a revision of rules and regulations on electric line extensions submitted by the Pacific Gas and Electric Company. Counsel for a cooperative protested on the ground that the company's purpose was principally for "knocking out" two cooperatives in California.

Counsel for the company asserted that it was not only his company's right but its legal obligation to extend lines and render service to all who may apply in accordance with established principles. He further pointed out that authorization of the extension rules would in no manner obligate any cooperative member or anyone else to take service from the company, but it would make it possible to have line extensions built in marginal unserved pockets and sections of territory not fully served to the distinct benefit of those people.

**FARM ELECTRICITY OPENS BOY'S CAREER** (Post-Dispatch, complete edition, January 3) -- The winner of the Arkansas State 4-H Club rural electrification contest, 15-year-old Jimmy Glasgow of Greenway, Ark., visited national headquarters of the Rural Electrification Administration in the Boatmen's Bank Building Monday and Tuesday. His St. Louis trip was arranged in recognition of achievements which won him a trip to the National 4-H Club Congress in Chicago a few weeks ago. The young farmer's interest in electricity has steadily grown since he first started studying leaflets on power utilization prepared by REA specialists.

The Clay County Electric Cooperative at Corning supplies electric power to the Glasgow farm. Jimmy hopes to see the entire farm electrified after the war. These future plans include the use of electricity in separating milk and for a machine shop. He also plans to build a hay hoist to be operated by electricity.

How rural electrification stimulates farm youth to make more efficient use of labor-saving appliances on the farm thereby benefitting the rural areas in which they live was emphasized by W. E. Denton, county agent of Clay County, who accompanied the boy to St. Louis and also participated in a broadcast with him Tuesday morning.

"Rural electrification has made it possible for rural homes to have the same conveniences that modern homes have in the city, and farm youth has been quick to take advantage of it," he said yesterday. Clay County boys built 100 electric chick brooders in 1943 and 1944 under the F.F.A. plan and sold them to farmers for \$12 each, thus stimulating both poultry production and youth interests." (Accompanying photo shows Jimmy meeting Acting Administrator Neal while Louisian Mamer and Mr. Denton look on.)

**REA POWER UNIT SOLD TO MEXICO** (Dubuque Telegraph-Herald, December 22) -- The last of three mobile Diesel-operated electric generators owned by the Jo-Carroll Electric Cooperative of this city has been sold, . . . having been purchased by the Federal Electric Commission of Mexico.

This unit, together with two others which were purchased by the REA (co-op) in 1941, were the subject of widespread publicity in the metropolitan newspapers prior to the war. They were especially constructed for the local co-op and were believed to be the best of their kind.

When the co-op was organized there was a disagreement between REA and the utility companies of this locality on the price which the REA (co-op) should pay for wholesale current. When the concerns could not agree, the REA (co-op) ordered three units which were erected on a farm east of Elizabeth and used until April 1943, to

provide the farmer-consumers with power.

It was then that a deal by which the Northern States power company provided the necessary current through its Galena plant was closed and the Diesel mobile units were no longer needed. Two were leased to the Army and were used for emergency work at an Army hospital in North Carolina and later in other parts of the country.

**HEAVY FARM DUTIES AIDED BY ELECTRICITY** (Glenn Cunningham in Des Moines Register, December 24) -- The Martin Knudsen family on a 320-acre farm seven miles northwest of Schleswig would be at a great loss without electricity for the equipment includes 27 electric motors. Knudsen recalls he hesitated about putting in the REA high-line in 1940 because he thought his 32-volt lighting plant was all he needed.

Things are different now. Mr. and Mrs. Knudsen, their son, Marven, 29 and daughter, Elnora, 26, say they couldn't do without electricity for any length of time and wonder how they got along without it.

The Knudsens milk an average of 30 cows and supply the town of Schleswig with bottled milk and cream. They also feed 100 hogs, 30 beef cattle, 20 sheep and 500 chickens. . . Handy electric switches are in every building. Electricity powers the bottle washer, three milking machines, feed grinder, water pumps, water heaters, milk cooler, separator, fans, fly spray, grain elevators, etc. . .

Marven would like to install a malted milk mixer. Malts are his favorite drink when he gets into town which isn't often because his father delivers the milk. . .

Modern plumbing was installed in the home, this year. Appliances and equipment there include range, refrigerator, oil burner, washer, ironer, sweeper, two radios, three fans, three clocks and coffee maker. . .

**SENATOR LUCAS AND REA** (editorial, Springfield, Ill., Register, January 2) -- U. S. Senator Scott Lucas, who in a recent interview stated that he intends to support a bill to expand the Rural Electrification Administration, is to be commended for his foresight.

The REA has done more to strike the shackles of drudgery from the farmer than anything since the advent of the tractor.

In the long history of the "New Deal", some of its early accomplishments may have been forgotten. The REA was one of the benefits sired in the early years of the Roosevelt administration amid bitter protests and dark predictions of defeat and financial failure.

The benefits of what was once termed a horrible example of "government interference" have been of inestimable value to the farmer. So much so that what the REA now requires is expansion which will make it available to all who need it. . .

**RURAL ELECTRIFICATION** (editorial, New England Homestead, December 23) -- There is still much to be done here in New England in the way of extension of Rural Electrification. It's true as a unit New England ranks high among the first ten states in both number and percentage of farms electrified. In four of the New England states--New Hampshire, Massachusetts, Rhode Island and Connecticut--more than 80% of the farms are electrified. Vermont has practically 65% and Maine has over 60%. Only four other states in the nation have 80% or more farms electrified.

When supplies are once more available every effort should be made to see to it that every farm home in New England is furnished with electricity. This should have a foremost place in any agricultural postwar program. We commend the Connecticut power interests for their proposed program recently announced in which they plan to carry their lines into every farm home in the Nutmeg state. This should stimulate power interests in other New England states to give serious thought to their rural areas. . .

**ARKANSAS CO-OP WILL BUY, NOT GENERATE OWN POWER** (Electrical World, December 30) -- Cleveland and Lincoln Cooperative has abandoned its generating plant at Star City, Ark., because it can purchase power cheaper from the Arkansas Power & Light Company. Manager Lynn Thomasson of the co-op testified at a hearing before the Arkansas Department of Public Utilities. It was costing two cents per kWh to generate power at the plant, while the new wholesale rates of the power company are six mills per kWh, Mr. Thomasson said. The co-op purchased the Star City generating plant and distribution system several years ago and is the second in Arkansas to close down a generating plant to purchase all its own power from the business-managed utility. The Petit Jean co-op closed its plant several weeks ago.

**PETIT JEAN POWER HEARING EXTENDED** (Little Rock Democrat, December 22) -- The state Utility Commission will resume hearings January 10 on the application of the Petit Jean Electric Cooperative for authority to build rural lines in Cleveland, Conway, Faulkner, Pope and Van Buren counties.

During testimony yesterday, a spokesman for the co-op testified that the organization will be in a position to lend money to potential purchasers of electric appliances, at a six per cent interest rate. The line will cost approximately \$700 a mile to build and will serve an estimated 2.6 customers a mile, co-op representatives said.

An intervention protesting granting of the petition was filed by the Arkansas Power and Light Company.

**BACK TO WHAT?** (editorial, Binghamton, N. Y., Sun, December 22) -- It seems timely to suggest that instead of becoming too hysterical about the shortage of jobs that

more attention might be devoted to considering the rebuilding of the farm industry in a million different locations.

There are 6,000,000 farm and non-farm homes in the United States without electricity, and an official statement says that "the surface has hardly been scratched in the refrigeration field, particularly as it applies to agriculture".

STAFFORD A PIONEER IN RURAL ELECTRIFICATION (Hutchinson, Kans., News-Herald, Dec. 17)

-- The first rural power and light line built by farmers in this part of Kansas and one of the first in the state is in Stafford county.

It is the Farmers Light and Power Company line. This company was formed many years ago by farmers southwest of Stafford. They built the line without government aid, for this was many years before the REA. The farmers company secured the current from the Stafford city light plant. The patrons along the line maintain it.

The city council this week renewed the contract for another five years to furnish the current at 2 $\frac{1}{2}$ ¢ per kilowatt.

DAIRYLAND CO-OP WILL BUILD DIESEL PLANT IN WISCONSIN (Electrical World, December 30)

-- Directors of the Dairyland Power Cooperative recently approved plans calling for the construction of a 5,000-kw diesel generating plant near Baldwin, Wisconsin.

WHEN ELECTRICITY GOES IN ON A FARM, a new water system is very likely to go in at the same time. Wallace's Farmer and Iowa Homestead recently interviewed 118 owners of electric water systems, found that 38 of them put the water system in just as soon as the power was turned on. (From Wallace's Farmer, January 6).

#### ITEMS OF INTEREST TO THE STAFF

Small Farms -- editorial, New York Times, December 25 -- Extension of rural electrification by REA and private utilities seen as hopeful prospect for a renaissance of the position of small farms in the national economy.

APL To Build Lines Into Rice Field Areas -- Arkansas Democrat, December 19.

Consumers Power Co. To Serve More Farms -- Jackson, Mich., Citizen-Patriot, Dec. 24.

2043 Members in Grant County Electric Co-op -- Capital Times, Madison, Wisconsin, December 19.

Tennessee Valley Governors Report on the TVA -- Post-Dispatch, December 31.

Alabama Power Reveals \$6,000,000 Rural Program -- Electrical World, December 30.

Main Street Brightened -- Kodiak, Alaska, Mirror, December 23 -- The last of Kodiak's 6 new city street lights was erected Thursday at the corner by the Kodiak Barber Shop by a crew from the REA.

Fremont County Reveals Well-Rounded Program of Constructive Thought -- Louis Bessemer in Pueblo, Colo., Star-Journal and Chieftain, December 31 -- Southern Colorado Power Co. is prepared to serve the new Custer county REA cooperative.

County Farmers Produce Bumper Crop With Minimum of Assistance -- Dwight Coursey in Aberdeen, S. D., American-News, December 28 -- County extension agent discusses possibility of REA power for all farms in Brown county.

200 Attend Wilton Electrification Meet -- Bismarck, N. D., Tribune, December 30.

Postwar Era Plans Made by Conn. Light and Power Co. -- Hartford Courant, Dec. 31.

Illinois Power Co. Extends Lines to 95 New Rural Consumers -- Bloomington Pantagraph, December 29.

Huttig Electric Power System Bought by APL -- Arkansas Democrat, Little Rock, Dec. 28.

REA Lines Extended -- Sioux Falls, S. D., Argus-Leader, January 2.

Bureau Power Plan Studied by Valley Men -- Great Falls, Mont., Tribune, Dec. 29 -- Officers of Valley County Electric Co-op consider proposed contract with Bureau of Reclamation to supply power to co-op until 1956.

New Appliance Acquired: Bouncing Baby -- Springfield, Minn., Advance-Press.

In addition, the following clippings have been received: 12 concerning possible establishment of a rural telephone agency, and 4 concerning postwar rural electrification.

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# REA PRESS DIGEST

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Vol. III, No. 14

Jan. 31, 1945

AUBREY W. WILLIAMS NOMINATED TO SUCCEED HARRY SLATTERY AS REA HEAD (Post-Dispatch, January 22) -- Aubrey W. Williams, former head of the National Youth Administration, was nominated by President Roosevelt today to be administrator of the Rural Electrification Administration. . . .

Williams is 54 years old, a native of Alabama, and has been engaged in social work and community service since 1920. He was in social work in Cincinnati from 1920 to 1922, and thereafter for ten years was executive director of the Wisconsin Conference of Social Work. In 1933 he was made a field representative of the FERA, and from 1933 to 1935 was assistant administrator of that agency and the Civil Works Agency. He was named assistant administrator of the Works Progress Administration in 1935, and in the same year was made executive director of the National Youth Administration. He was NYA Administrator from the end of 1938 to September, 1943, when he entered the service of the National Farmers Union. (Similar story in Star-Times and many other papers throughout the country.)

RURAL ELECTRIFICATION AFTER THE WAR (Letter from Acting Administrator Neal to editor of New Republic; January 15) -- Your special section on "Prosperity" is a very interesting and painstaking work. We realize that the subjects discussed were chosen as samples; you could not possibly have included, in 20 pages, a complete discussion of all of the desirable and important programs designed to contribute to the national economic well-being in the postwar period. Nevertheless, we believe some discussion of the impact of rural electrification on our postwar economy might well have had a place in your presentation.

We estimate that the extension of rural electric power lines and the attendant installation of appliances and equipment by rural people will involve 2 3/4 million man-years of labor during the first five years after restrictions are lifted. If this program is carried out at the speed and scope which we predict, roughly 80 per cent of our farms will have electric service in place of the present 40 per cent and 1935's 10 per cent. Of course, a substantial part of this rural electrification program can be undertaken as an integral part of river-valley developments. . . .

10 PER CENT MORE RFA CONSUMERS IN YEAR REPORTED (Post-Dispatch, January 15) -- An increase of about 10 per cent in the number of rural consumers served by power cooperatives financed by the Rural Electrification Administration is shown in the report for the fiscal year which ended last June 30.

"Farmers plagued by labor shortages," the report says, "and striving to meet food goals under wartime conditions, relied on electric power, on pumps and milking machines, brooders and yard lights, to produce the food that kept the nation at fighting peak, sustained our armed forces in Europe and Asia, encouraged our Allies abroad."

An effort "in some quarters to thwart the efforts of the Administration to make widespread rural electrification possible" developed during the year, the report says. "One phase of the attack centered on the issue whether non-profit cooperatives, serving members, are subject to the jurisdiction of state regulatory commissions in the same way as private utility companies." . . .

The report gives a favorable view of REA finances, stating that the debt-service record of its borrowers continues good and that the number of defaults is comparatively small. . . . (Similar story in Globe-Democrat and Star-Times, same date.)

PRESENT STATUS OF REA (editorial, Post-Dispatch, January 15) -- It comes, probably, as a surprise to most people to learn that the number of consumers served by REA-sponsored electric lines has gone up sharply during the war -- about 10 per cent, for instance in the fiscal year ended last June 30. Yet that development makes solid sense, for kilowatt power is a great substitute for man power, which is scarce on the farms. Moreover, this spurt of expansion was consummated during a period when we seemed to have plenty of materials for electrical construction and a reasonable reserve of workers to manufacture and install them.

In the present fiscal year the outcome will probably be very different. Metals for conductor are again very scarce; the electrical manufacturers are involved in the general remobilization in anticipation of a heavier and longer war; we are scraping the bottom of the manpower barrel. So REA's main current job is to keep the existing plant running well and to get ready for what is to come when military requirements begin to taper off. . . .

What is to come, if REA's plans are carried through, is larger-scale extension of rural electricity. We have come far since 1935 -- from 10 per cent to 43 per cent of all the farms in the country. But far is somewhere near 100 per cent, for an American living without benefit of electricity is to that extent still living in the eighteenth century.

REA AND ITS BEST JOB (editorial, Oklahoma City Oklahoman, January 14) - - The Rural Electrification Administration is making great plans for the postwar period. . . .

The country at large will be tickled pink to see all the farmers of America obtain the blessings of electric energy, and is willing that the federal government lend its credit and technical assistance to the distribution lines. . . . Every possible encouragement should be offered to REA where it sticks to its statutory specialty -- that of distributing energy.

However, it should be remembered by all friends of rural electrification that nothing is to be gained by killing the goose that laid the golden egg.

The progressive lowering of cost of rural electrification was accomplished in the American way, by free enterprise and private ownership. . . . In recent years there has been a strenuous effort to have the government take over all such private enterprise, remove it from the tax rolls and charge deficits up to the general taxpayer. And that isn't good for the country. It is one of the ways of advancing state socialism and that's one thing our soldiers are NOT fighting for.

REA EXPANSION PLANS REVEALED (San Antonio Express, January 14) - - A program of continental interest and importance will bring 1,500 farm representatives from the rural electric cooperatives of 45 states to San Antonio for the third annual meeting of the National Rural Electric Cooperative Association. . . .

Among the noted proponents of public power to appear on the convention program are Don Gustavo Serrano, secretary of national economy, Republic of Mexico; Herbert Cottingham, chairman of the Manitoba Power Commission; Acting Administrator William J. Neal of the Rural Electrification Administration; A. D. Peabody of Westinghouse Electric and Manufacturing Co.; Paul A. Walker, FCC Commissioner; Congressman W. R. Poage of Texas; Dr. Paul J. Raver, administrator of Bonneville Power Administration; and Vincent D. Nicholson, deputy administrator and associate solicitor for REA. . . .

The presentation of joint reports by the REA and NRECA postwar planning committees during the convention will give a preview of an expanded program of rural electrification and its attending benefits to agriculture, industry, labor and veteran rehabilitation.

POWER LEGISLATION BEFORE NEW CONGRESS (Washington Comment, by R. N. Larkin, Electrical World, January 6) - - The 79th Congress, which opened last week, will do considerably more of interest to the electric power industry than did its immediate predecessor. This will be true unless the European war continues throughout most of the next two years.

About all the power legislation the 78th Congress passed was the Pace bill, which authorized appropriations for the Rural Electrification Administration for an unlimited period of time, lowered interest rates on REA loans and extended to 35 years the amortization period for these loans; . . . the bill authorizing REA to re-finance rural electrification co-ops originally organized by TVA; . . . and three investigatory resolutions, of which only the REA investigation amounted to anything.

Overlooked in the last two years were bills establishing the MVA, a Rural Telephone Administration, one re-establishing REA as an independent agency, . . . and another specifically legalizing acquisition by REA of existing electric systems. . . .

SHO-ME POWER RATES REDUCED; 20,000 BENEFIT (Post-Dispatch, complete edition, January 18) - - The Sho-Me Power Cooperative of Marshfield, Mo., has announced rate reductions which will save residents of south Missouri between \$75,000 and \$80,000 on power bills during 1945. . . . A. H. Holbert of Monticello, president of the Sho-Me Cooperative, said that the benefits of the new rate will be passed on to the retail consumer. The charge for the first block of power used by the consumer, he said, will be reduced from \$1.25 to \$1.00 without reducing the amount of power furnished.

In announcing the rate reduction to its consumers, Sho-Me said: "Sho-Me Power Cooperative proposed this rate reduction at the time it applied to the Public Service Commission for authority to purchase the Missouri Electric Power Co. properties. The Commission, however, in its order of October, 1943, approving the sale, directed Sho-Me Power Cooperative to adopt and operate on the same schedule of rates then in force by the Missouri Electric Power Company.

"It was the judgment of the Commission that the reduction should be delayed until such time as the Cooperative's record of operation, based on sound business principles, would justify the reduction. . . ."

CITY OF ROLLA AND FIVE CO-OPS ASK RIGHT TO BUY UTILITY (Post-Dispatch, complete edition, January 23) - - Five rural electric cooperatives and the City of Rolla today filed an application with the Missouri Public Service Commission seeking approval for purchase of securities of the Missouri General Utilities Co., representing electric power facilities in Bollinger, Cape Girardeau, Crawford, Perry, Phelps, Ste. Genevieve, and Stoddard counties.

The application said that the Associated Electric Company plans to transfer the stock of its subsidiary, Missouri General Utilities, to the five cooperatives and the City of Rolla for a base cash purchase price of \$1,610,000. . . .

The lines to be acquired by the cooperatives will make it possible for them to build rural power lines to serve 3515 new consumers, when construction materials can be obtained, co-op spokesmen said. Eventually the cooperatives will be able to electrify the section on an area coverage basis that will make electricity available

to all farms and other rural consumers. REA loans have been allotted to the cooperatives to finance purchase of the properties and future expansion. . . .

RULES VILLAGE CAN'T JOIN POWER CO-OP (Minneapolis Star-Journal, January 11) - - The village of Littlefork has no power to join a rural electrification cooperative, Attorney General J. A. A. Burnquist held today.

The village owns its own electrical plant and distribution system and has been negotiating with the REA for sale by the village of the system to the Star Electric Cooperative of Baudette. The voters authorized the village council to sell.

MONTANA AT CROSSROADS OF DESTINY (excerpt from address by Gov. Sam C. Ford of Montana to State Legislature; Montana Standard, Butte, January 3) - - . . . "Rural Electrification: Notable progress is being made in rural electrification. I am sure all of us wish to see this enterprise expanded until every rural home in Montana that can feasibly be reached has electricity. The state rural electrification board does the engineering and is the contact between the federal authority and the districts. . . ."

GET PLENTY CURRENT TO FARMS (editorial, Prairie Farmer, January 6) - - In making plans for putting in or improving rural electric lines during this and postwar years, it is well to remember that farms are having greater uses for electric current all the time.

Lines built with wire heavy enough to give good light current are not nearly adequate for some of the heavy mechanical loads that are now put upon them. Many chores are being done by electricity. New jobs can be done on the farm if electric current is available. One of the newest of these suggested is that of electric welding. There are welding outfits now being made which will be useful in any farm shop.

But in many cases the wiring to the farm or the size of the transformer will not permit such equipment being installed. No longer are farm folks going to be satisfied with receiving electric current that will only light their houses. Those who supply electric current to farm families are facing the need of putting in heavier wiring, either as the lines are built, or increasing the capacity of the wires and transformers that are already installed.

SET HEARING ON INJUNCTION FOR JANUARY 24 (Logansport, Ind., Pharos-Tribune, January 9) - - The hearing on the petition of the Miami-Cass Rural Electric Membership Corporation for a temporary injunction against extension of Logansport municipal light lines into its territory near Hoover will be held in the Cass Circuit Court on Wednesday, January 24, it was announced today. . . .

The complaint by the REMC asserts that it will suffer great and irreparable damage if the city is allowed to extend its lines into the territory set aside for the plaintiff without the approval of the Indiana Public Service Commission.

#### ITEMS OF INTEREST TO THE STAFF

Paul Valle Appointed Deputy to OWU Power Division Director - - Electrical World, January 13. - - Paul Valle helped organize REA in 1935, magazine states, and was consultant to Administrator in 1940 and 1941. Named deputy to V. M. Marquis, now director of Office of War Utilities Power Division.

Rural Electrification, Telephone Expansion - - Portion of Gov. R. Gregg Cherry's inaugural address, Charlotte, N. C., News, January 4.

Tobin For Revised State Tax Setup - - Worcester, Mass., Telegram, January 5. - - Gov. Maurice J. Tobin, Massachusetts, urges promotion of federal rural electrification program as aid to farmers, in inaugural address.

One Month's Electric Bills To Be Repaid - - Montgomery, Ala., Advertiser, January 5. - - Alabama Public Service Commission orders Alabama Power Company to refund December bills to consumers (amounting to more than \$600,000) because of the company's increased earnings in 1944. Another recent order cut the wholesale rate to municipalities and REA cooperatives operating their own distribution systems, the saving estimated at \$36,000 annually.

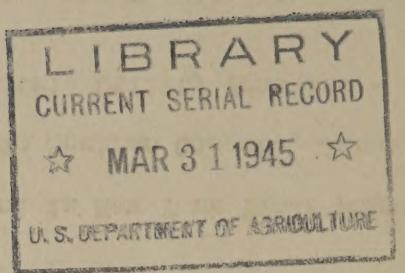
Rural Phase-Inverters Cut Phone Induction - - Lee M. Moore (Technical Standards Division) in Electrical World, January 6.

Shall We Have More TVA's? David E. Lilienthal in New York Times Magazine, January 7.

Electrification Outlook Favorable - - Colorado Springs Gazette, January 4.

A Critical Analysis of Some "Factors" in Electric Utility Practice - - M. M. Samuels in Public Power, January, 1945.

Fifteen clippings have been received concerning the President's recent budget message to Congress in which he recommended that REA's lending authority be raised from \$25 million to \$150 million in 1946 so that many of the remaining 6 million unelectrified farms can be electrified.



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## REA SUSPENDS FURTHER LOAN ALLOTMENTS IN KENTUCKY UNTIL EFFECTS OF PRIVATE EXPANSION CHECKED (Allan M. Trout in Louisville Courier-Journal, February 13)

-- The Rural Electrification Administration today suspended further loan allotments for Kentucky until credit risks of local cooperatives can be re-examined in light of the Public Service Commission's order of January 22 allowing the Kentucky-West Virginia Power Co., Ashland, to build 1186 miles of rural extensions in 16 counties of East Kentucky . . . .

The text of the order follows:

"The Rural Electrification Administration is compelled to suspend all further loan allotments for Kentucky pending completion of new feasibility studies taking into consideration the full implications of the January 22 ruling by the Kentucky Public Service Commission. This ruling grants application of the Kentucky and West Virginia Power Company to construct 1186 miles of line in 16 Eastern Kentucky Counties.

"A very substantial proportion of the consumers on the power company's proposed lines are members of existing REA cooperatives. On the basis of their applications for service from the cooperatives, REA funds had been made available to finance construction of the lines necessary to serve them. Commission certificates had been obtained by the cooperatives for some of the lines, which were released for construction and advances were made by the Government to cover the initial cost.

"The intervention of the war and the resulting WPB restrictions made it impossible, of course, for the cooperatives to build the lines. But since it seemed clear that construction was only postponed until materials again became available, REA officials have had no question as to the adequacy of the Government's security and substantial additional allotments for postwar construction in Kentucky have been freely made. The commission's order authorizing the power company to serve these cooperative members makes impossible the completion of the projects for which the allotments were made and raises a basic question as to whether further loans in the state would be self-liquidating.

"REA cooperatives, in order to accomplish complete area coverage, must necessarily include some of the more densely settled territory. If, after a cooperative has completed plans for service in a particular area and obtained an REA loan to finance the necessary construction, commission action allows a power company to serve the consumers in the more densely populated areas, the security for the loan is threatened and may well become inadequate. I am sure you will understand that the action we feel forced to take does not emanate from any lack of interest on our part in the 297,000 rural families in Kentucky who do not now have electric service but it is based solely on the requirements of the REA Act that our loans be self-liquidating." (Ed. Note: The order was signed by Acting Administrator Neal.)

UTILITIES LICENSED TO SKIM THE CREAM (editorial, Louisville Courier-Journal, February 15) -- One may wonder with what degree of satisfaction (or could it now be uneasiness?) the members of the Kentucky Public Service Commission regard the swift effects of its order giving to a private utility the choicest field of rural power service in 16 eastern counties which had been cultivated and sweetened by four REA cooperatives . . . .

Blighted by the order is the prospect of a postwar expansion program for rural electrification in Kentucky which, as blue-printed by the state's cooperatives, would add 46,600 new customers and provide a calculated 6,000 man-years of labor in construction, installation and the creation of goods

and facilities which the new customers would buy.

Thus is frozen a condition which leaves some 300,000 rural dwellings in Kentucky without electric lights or power and all the conveniences, improvements and standards that go with them . . . .

If the commission holds fast to this policy, it will have cut the ground out from under the rural electrification program in Kentucky, and from the only hope of farmers beyond the fringe of settlements to get their lights, their pumps, their improved dairy barns, their contacts with the world.

Contrary to a widespread opinion . . . . REA cooperatives cannot operate at a loss and continue to draw money or to get unsecured and doubtful loans from the public treasury.

No business is more scrupulously run and no criterion of sound lending is more strictly applied than by the REA. Thus, its suspension of loans in Kentucky is not a manifestation of bureaucratic spite, as you may hear, but actually good old banker caution in closely looking at security and dependability of return . . . .

The suspension is not likely to be permanent, of course . . . . Rural electrification in Kentucky . . . has been too hardly won and in the fac<sup>o</sup> of too long neglect and by dint of too much resolution and genuinely free enterprise, to be stifled.

MISSOURI RIVER PLAN IMPORTANT TO CO-OPS (Post-Dispatch, February 5) - - Illinois farmers have a tremendous stake in the proposed development of hydro-electric power resources of the Missouri Valley, William J. Neal, Acting Administrator of the Rural Electrification Administration, told members of the Monroe County Electric Cooperative at their annual meeting in Waterloo, Ill., Saturday.

The 27 REA borrowers now operating rural electric systems in Illinois would have saved nearly \$347,000 on their wholesale power bills in the fiscal year ended June 30, 1944, if they had been able to purchase power at the average rate paid by REA-financed cooperatives in Tennessee, Neal told the meeting . . . .

Neal said he was confident that the situation would be similar for more than 1,396,000 potential rural consumers in the nine states in the Missouri River Valley. This rural market alone would require approximately 3,560,000 kwh of electricity. Neal then pointed out that such a market would be equal to the total output of the electric power at the Bonneville Dam in Oregon. It also would be equal to the total farm consumption of electricity in the entire United States in 1941 . . . .

WICKARD SAYS FARMERS EXPECT PEACE OF FULL AGRICULTURAL PRODUCTION (Washington AP story in Globe-Democrat, February 4) - - President Roosevelt was informed by Secretary of Agriculture Wickard today that farmers are looking forward to a peace of full agricultural production . . . .

The Secretary expressed the opinion, however, that achievement of this farmer goal would depend more largely upon lines of action pursued by industry and government rather than upon anything that agriculture itself might do.

In his annual report to the President, Secretary Wickard said agriculture should be able to produce 50 per cent more food and fiber in the postwar years than before the war. Manpower freed by peace, plentiful supplies of farm machinery and application of new technological developments will make possible, he said, the production of a stupendous quantity of farm commodities.

Mr. Wickard cautioned, however, that peace "will almost surely bring some decline in the demand for agricultural products . . . ."

In addition to full markets, agriculture looks to the government, Wickard said, for programs designed to improve public services and facilities of rural people, such as housing, health services and hospitals, schools, rural electrification, and Social Security for farm operators and workers.

REA CO-OPS REALLY CO-OPERATE (Grange News, Seattle, February 10) - - Members of REA-financed cooperatives have contributed numerous free services to their rural electric systems, and the results are shown in the low operating costs,

as compared with similar expenses of private power companies, the REA reports. Personal letters of commendation have been sent by Acting Administrator William J. Neal to co-op members for such acts of assistance as reporting damaged line facilities and lending assistance to line maintenance crews.

An outstanding record is the fact that more than 90% of the consumers served by REA-financed systems read their own meters each month, and about 25% compute their monthly bills and pay direct to the co-op offices. Of 825 REA-financed systems serving more than 1,200,000 farms and other rural consumers, 754 are cooperatives.

These co-op members consider their time and personal services a part of their investment in their co-op, REA officials say, with each member collecting dividends in the form of improved living conditions and more efficient farming operations.

RISE IN USE OF ELECTRICITY ON FARMS IS TOLD (Capital Times, Madison, Wisconsin, January 30) -- Despite wartime handicaps, nearly 10,000 new farms received electricity through activity of Rural Electrification Administration co-ops in Wisconsin during the last two years, George Dillon, of the REA Applications and Loans Division told 150 delegates at the opening of the annual Wisconsin Electric Cooperative meeting today . . . .

Dillon said that in the last two years a total of 9900 consumers had been added by Wisconsin Electric Cooperatives, the service being furnished through nearly 28,000 miles of new line at a cost of \$2,825,000. He said the number of new Wisconsin customers was well over the national average . . . .

A \$960 MILLION RURAL MARKET FOR THE ELECTRICAL INDUSTRY (Edward T. Parrack in Advertising and Selling, February) -- Even in these days of global figures and hemispheric merchandising, a \$960 million market is not to be sneezed at. And that is just how much electrical equipment our Department of Agriculture estimates the rural consumers in the U. S. will buy in the first ten years after the war. Of this amount, about twenty per cent will be bought in the first two postwar years.

This \$960 million figure so far dwarfs prewar estimates of rural demand for electrical appliances and operating equipment that some explanation of the reasons for this tremendous market is in order.

The reasons are four: the farmers' greatly enlarged ability to buy; the expansion of the rural electrification program; the presently low saturation of electrical appliances and equipment; the very real need for more electrical equipment to operate the farm . . . .

FARM POWER STRIKES A PROFIT (H. B. Howell and C. R. Elder in Successful Farming, February) -- This is the experience of one farm family with electricity. It's filled with facts and figures and dollar marks.

You see, the editors of this magazine, like most everyone else, have been ~~enthusiastically~~ preaching the glories of farm electrification. But now they want to get right down to brass tacks and make electricity a cold-blooded business -- no flag-waving about how the farmer and his family are getting better food. They want to know if electricity can "pay the freight."

So we based our story on the experiences of the Mark Collier family . . . which receives electricity from the Eastern Iowa Cooperative, one of the first REA systems in Iowa. (Ed. Note: The article then lists in detail, the following benefits which the Colliers have received from electricity and which have convinced them that electricity "more than pays its own way":

Boosts pork output 15 litters. Keeps milk grade at A. Adds nine war units per man. Increases milking herd from 10 to 20. Lights "overtime" work. Saves expense of hired girl. Saves an hour on washday. Cuts out two weekly trips to town for food.)

RIVER ON RAMPAGE CAN BE HARNESSSED; MISSOURI PLAN OFFERS 1,400,000 JOBS (UE News, organ of United Electrical, Radio and Machine Workers of America, January 27) --

... POWER. In only one of the nine MVA states -- Iowa -- do more than half the farms make adequate use of electric power. The average is closer to 10 per cent. This is not because the farmers are backward, but because the power is either not available or is too expensive to use. MVA people would use power, and would buy the things that go with the use of power, just as TVA people do now. Electrification . . . means progress and progress means jobs.

MEASURE GIVES TEXAS BIG SLICE OF REA LOANS (Dallas News, January 24) -- Federal loans totaling \$600,000,000 will be made available to rural electrification cooperatives of the nation the next three years under the provisions of a bill introduced in the House Monday by Congressman W. R. Poage of Waco . . . .

The bill amends the Pace Act, providing funds which that measure authorized Congress to appropriate.

Texas, because it leads all states in number of unelectrified farms, will receive the lion's share of the Federal funds, Poage said . . . .

288 FARMERS ASK FOR ELECTRIC LINES (Bismarck, N. D., Tribune, January 25) -- Two hundred and eighty-eight applications for rural electrification have been signed by farmers in Northwestern Burleigh County, it was announced Thursday by County Agent M. C. Altenburg.

The sign-up job was completed in each township within a week through the work of volunteer helpers. In some townships every farmer signed and all workers reported that interest is very high . . . .

MORE THAN 500 MEET FOR REA CO-OP ANNUAL MEETING (Blackwell, Oklahoma, Journal-Tribune, February 7) -- . . . An unusual event on the program of the annual meeting of the Kay Electric Cooperative was the ceremony during which Joe Soucek was rewarded for having saved the life of a fellow lineman who had come in contact with a high voltage wire.

S. D. Kelly, safety engineer representing the company which carries the co-op's liability insurance, gave Soucek a beautiful gold first watch in token of his act.

Also present was Joe B. Billingsley, state safety engineer for REA-financed co-operatives in Oklahoma.

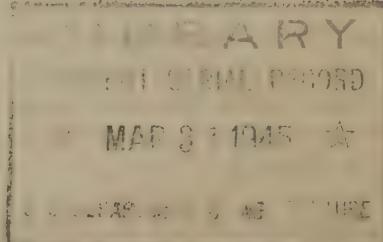
#### ITEMS OF INTEREST TO THE STAFF

South Dakota Boy On Radio Program -- Sioux City, Iowa, Journal, January 22. -- Rodney Hall, national rural electrification contest winner at 4-H Club Congress in Washington, to appear on transcribed programs with John Asher and Wallace Kadderley, chief of USDA's radio service.

Texas Led Nation in REA Extensions During Last Year -- San Angelo Times, Jan. 21.

Rural Electric Power Meet Held at Sanford -- Durham, N. C., Herald-Sun, Jan. 21. -- About 250 farmers meet to discuss allotment of \$150,000 for REA-financed lines in Chatham, Lee, Moore, Wake and Harnett counties.

In addition, the following clippings have been received since the January 15 Digest: 17 concerning the postwar program for rural electrification, 12 concerning rural telephones, and 148 concerning President Roosevelt's nomination of Aubrey Williams to be REA Administrator.



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# REA PRESS DIGEST

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Vol. III, No. 16

A semi-monthly summary of press and radio items pertaining to REA.

February 28, 1945

REA CO-OPS SEEK CURB ON STATE RULE (Allan Trout, Louisville Courier-Journal, February 18) -- Rural Electrification Administration cooperatives in Kentucky will ask the 1946 Legislature to remove them from jurisdiction of the Public Service Commission, Curtis Brown, Brandenburg, president of the Kentucky Rural Electric Cooperative Association announced today.

Brown's announcement was the second major development following the Commission's order of January 22, authorizing the Kentucky-West Virginia Power Company to build 1186 miles of rural line extensions. . . Four cooperatives opposed the grant, claiming the territory for their own expansion.

The first effect of the commission's ruling was felt Monday when William J. Neal, REA's Acting Administrator, suspended further loan allotments to Kentucky co-ops until their credit risks can be re-examined in light of what REA construes to be discrimination against it in favor of private utilities . . . .

Thomas B. McGregor, chairman of the commission, said the record will show that the Kentucky commission has been one of the best friends REA has had in the nation. McGregor cited REA commendation of the commission on several points, including pioneer aid to the cooperatives in obtaining a wholesale rate of "slightly above 1¢ per kwh" from private utilities.

"It is obvious that the lines to be built by the power company will not complete electrification of the areas assigned the company by the commission," Brown said. . If private power companies are given the more populous sections the lines of the co-ops cannot have the consumer density necessary to maintain pay-out levels. So long as this condition prevails, rural electrification in Kentucky cannot be on the same sound basis as in other states where cooperatives are not hampered by restrictions such as have been imposed on Kentucky." . . . .

THE COOPERATIVES SHOULD BE SET FREE (editorial, Louisville Courier-Journal, February 20) -- The case for rural electrification in Kentucky will be taken into the forum of the public, and this probably will be seen by friends of genuine service to farmers as a welcome development. The Kentucky Rural Electric Cooperative Association has announced plans for a determined campaign to free REA cooperatives from regulation and control by the Public Service Commission. . . .

It is obvious . . . that if commission control means the cooperatives are to be forced into a losing competition for permits, this control is not the best thing. It is equally obvious that the very purpose of commission control, which is to prevent a corporation from using the advantage of a natural monopoly to impose high rates and undesirable or inadequate conditions of service, does not apply in the case of a cooperative association, which is non-profit and self-serving, with rates based on costs. . . .

The principal argument in favor of commission control is that, by it, the territory to be served may be allocated fairly and without duplication. But the very order in this case shatters the argument, for the cooperatives already were in the 16 counties, already had obtained membership applications and easements for expansion, made loan contracts and claimed certificates for at least a portion of the extensions to be made when critical materials were available. It is not hard to see why they are disconcerted by the commission's policy and desirous of emancipation

KEEP REA GOING (editorial, Lexington, Kentucky, Herald, February 16) -- . . . . The suspension of loans to REA cooperatives produces a direct clash between REA and . . . the power company affected.

The REA has been one of the greatest boons the farmers of the state have ever had

The opportunity still remains and the solution can not be found in a see-saw fight between public power and private power but can be successfully developed through the cooperation that was manifest in the early days of the REA.

REA HAS CONFIDENCE (editorial, Danville, Ky., Advocate-Messenger, February 21) --- Differences between the Rural Electric Cooperative Association of Kentucky and the Kentucky-West Virginia Electric Light and Power Co....may develop into a hot . . . issue . . .

The goal of REA is to expand its services until the remotest sections of the state have electric service, even if the average of customers is only two per mile. So long as the cooperatives are working towards this ideal, they should have all the reasonable support and cooperation they need.

ALABAMA PUBLIC SERVICE COMMISSION REDUCES RATES TO REA (Alabama Journal, Montgomery, February 7) -- The Alabama Public Service Commission today announced a reduction in wholesale electric rate contracts under which it said 10 Alabama rural electrification projects will save from 14 to 20 per cent in the purchase of power from the Alabama Power Co. . . . The commission pointed out that it has no jurisdiction over REA cooperatives. . . . except in connection with wholesale rates like those involved in today's announcement. . . .

RURAL INDUSTRY HANDICAPPED BY ELECTRIC COSTS (Post-Dispatch, complete edition, February 24) -- Postwar rural electrification will result in the establishment of thousands of rural industries after the war where power rates are favorable, but high rates being set up by utility companies in Arkansas, Oklahoma and Texas will keep many industries from being located in this area, spokesmen for rural electric cooperatives say.

The importance of low power rates to westward-moving industry is attested by T. G. Graham, vice-president of the Goodrich Rubber Company, who stated that the company's new \$7,500,000 synthetic rubber plant would not have been placed at Miami, Okla., if it had not been for Grand River Dam power. . . . villages

Co-op leaders contend that if utility companies deny them the right to serve/ and rural industries except upon payment of high wholesale rates, the cooperatives will be seriously handicapped in their efforts to extend lines into the less densely settled farming areas.

The farm leaders have complained to the Rural Electrification Administration here that utility companies of the Southwest are making long strides toward choking growth of the cooperatives in Arkansas, Oklahoma, and Texas by means of wholesale power contracts.

The number of requests for aid has recently increased to such an extent that Acting Administrator William J. Neal appointed two specialists to coordinate studies of power needs in the area and work with the Southwest Power Administration on such studies. They are James Cobb of the Applications and Loans Division, and B. B. Winsett of the Design and Construction Division. . . .

In spite of contract provisions guaranteeing cooperatives low rates on government-generated power, the Arkansas Power and Light Co., the Texas Power and Light Co., and the Oklahoma Gas and Electric Co. are asking cooperative officials to sign wholesale power contracts limiting their 6-mill rate to certain classes of business. The first two companies already have signed government contracts requiring that they re-sell power to the co-ops at the 6-mill rate. The OG&E has a similar contract pending.

Several cooperatives in Northeast Oklahoma which now buy their power direct from Grand River Dam get it for 4 mills a kwh.

Co-op officials resent the limitations on the 6-mill rate. They have not forgotten that the cooperatives of Arkansas and Louisiana own the Ark-La transmission line which connects the Grand River Dam with central Arkansas and is now supplying power for the Lake Catherine aluminum plant. After the war this line would, conceivably, be available for direct sale of public power to the cooperatives. . . .

OVERSELLING THE TVA (editorial, Kansas City Star, February 12) -- . . . The efforts to make the TVA the one source of power for the farmers are absurd. The nation-wide 1944 report by the REA shows that the seven states served by the TVA have made good progress, but no better than many other states. None of them has come anywhere near the widespread rural electrification in parts of the country that had an earlier start on progress. . . .

Rural electrification has made a big showing in rate of progress throughout the southern states. One reason is in the fact that ten years ago they started with next to nothing. Mississippi, served by the TVA, increased its electric service to farm homes sixteen times over but in 1934 less than 1½ of its farms had electricity. For all the gain it is still behind Missouri where 47,000 of the state's 278,000 farms are served by electric power. And Missouri is not among the better states on the rural electrification yardstick. . . .

PUSHING OF FARM POWER PLANS SEEN (Shelly Pierce in Journal of Commerce, New York City, February 13) -- Rural Electrification is expected to occupy a place near the top of the list of items for which materials are to be released when the war effort permits. Consequently, resumption of the program of bringing electricity to farm areas is looked for on a broad scale, probably with the end of the war in Europe. At any rate it should be among the first of the postwar activities to get under way.

Sharp competition is anticipated between the utility companies and the Rural Electrification Administration in putting the program into effect. The private industry has made plans to spend about \$250,000,000 in extending rural lines in the first three years after the war. This involves providing service to 520,000 additional farms in the period, plus 350,000 rural non-farm buildings, or a total of 870,000 installations. It is estimated that in addition to the outlay contemplated by the industry there will be expenditures for wiring and for appliances by those receiving service which will bring the total to \$685,000,000. In the same period REA is preparing for the spending of almost \$600,000,000 for the same purpose. . . .

1100 FARMERS WILL BENEFIT BY REA PLANS (Sioux Falls, SD, Argus-Leader, February 15) -- Eleven hundred farms in Bon Homme and Yankton counties will be able to use electrical equipment to increase production of livestock, dairy products and poultry within three years after large-scale power line construction can be started by the recently organized Bon Homme-Yankton County REA, Ray B. McDaniel, Bon Homme county extension agent, announced Wednesday.

McDaniel said more than 500 Bon Homme and Yankton county farmers would attend the mass meeting here next Wednesday to sign up prospective members, and that rural power line construction to serve this area would be started as soon as federal loan funds could be secured through the REA and material made available for large-scale production. . . .

RURAL ELECTRIC USE IN ILLINOIS RISES FOR 33rd STRAIGHT YEAR (Chicago Journal of Commerce, February 14) -- For the 33rd consecutive year, an increase in both rural customers and total mileage of rural electric lines was shown in 1944 by the Public Service Co. of Northern Illinois, Britton I. Budd, president, reported yesterday . . .

Electric work-saving equipment, much of it home-made, listed by the company as helping to speed farm production in Northern Illinois included pig and chick brooders electric water warmers, water pumps, feed grinders and mixers and, more recently, barn cleaners and hay driers.

COPPER WIRE USE VIRTUALLY BARRED (New York Times, February 16) -- The War Production Board, by suspending one order and amending another, today deprived the civilian market of virtually all future receipts of copper wire in a move to meet the "critical need" of the armed forces for greater supplies of field wire. . . .

ELECTRIC FARMS OF THE FUTURE IN GARFIELD COUNTY (editorial, Enid, Okla., News, February 14) -- In the recent Postwar Essay Contest sponsored by this newspaper, Ronald Beeson, fourth grader, . . . stressed the importance of electrified farms. . . .

Young Beeson noted first, and justly, the advantages to the farm housewife of electrically-operated appliances to aid her in the multiplied household chores on the farm and to furnish conveniences paralleling those now available to practically every city dweller. . .

Similarly, the use of electricity in the barns and sheds of the farms can take much of the backbreak out of farming, lighten the daily chores and free the farmers for other things, including more careful planning and more accurate accounting in the farm operation. . . .

#### ITEMS OF INTEREST TO THE STAFF

'Poor Service' Utilities' Sin -- Des Moines Register, February 6 -- H. V. Lear, superintendent of municipal utility at Muscatine, Iowa, says poor service is private utilities' worst sin, in speech before League of Iowa Municipalities . . . "Rural electrification projects are sometimes a problem because they want to buy electricity at less than standard rates in the community," he says at end of talk.

Many Using REA -- Meridian, Miss., Star, February 6. -- REA's record in Mississippi.

REA Co-op Will Serve Counties in West Texas -- Dallas Times-Herald, February 11. -- New co-op in Texas.

Rural Phase Inverters Cut Phone Induction -- Congressional Record, February 5. -- Representative Sam Hobbs, Alabama, compliments REA engineer Lee Moore on "new method of preventing disturbing noises in telephones and mistakes in telegraph messages which are brought about by interference with electrical communication due to the proximity of electric power lines."

County REA Sign-Up Drive Nears Finish -- Aberdeen, S. D., American-News, February 14.

Start Survey in Limestone -- Decatur, Ala., Daily, February 9.

REA Annual Meet To Be Held February 24. -- Owensboro, Ky., Messenger, Feb. 14.

County REA Co-op Has Annual Meet -- Eau Claire, Wis., Leader, February 14.

Rural Areas Get Power Extension -- West Palm Beach Post, February 15.

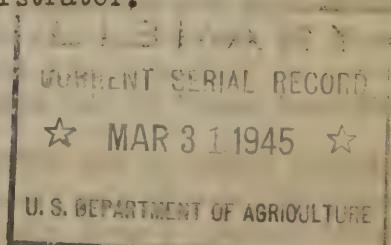
REA Co-op Plans To Serve 3,000 Farms -- Arkansas Democrat, Little Rock, Feb. 8.

Under the head "Service Tax Repeal Awaits Governor's OK" (Rocky Mountain News, Denver, February 10) are the following two paragraphs:

"The Senate Finance Committee ordered printed yesterday a bill which would establish a ceiling of 50 percent valuation on properties of the REA (co-ops), for tax purposes.

"The bill would halt the scheduled annual boost of one-fifth of a mill on REA (co-op) properties, contemplated by the State Tax Commissioner."

In addition, the Digest has received 10 clippings concerning postwar rural electrification, six concerning rural telephone service, and 141 concerning President Roosevelt's nomination of Aubrey Williams to be REA Administrator.



# REA PRESS DIGEST

A semi-monthly summary of press and radio items pertinent to REA.  
Vol. III, No. 17

March 16, 1945

*Cap 4*  
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**ELECTRIFYING FARMS** (Editorial in Journal, Sioux City, March 3) -- Edison Electric Institute report shows more than 2,700,000 farms electrified. This report anticipates the spending of \$790,000,000 of private funds early in the post-war period for extending rural electric service. Of this amount, it is estimated that private electric companies will advance \$200,000,000 with the balance being contributed by new customers at the rate of about \$500 each for wiring and other initial equipment.

The report is critical of the practices allegedly followed by the REA in some instances.

"REA has strayed afield in several respects from the basic purpose for which it was formed, 'to bring the advantage of electricity to farms in areas too thinly populated to be served by the private utilities.' Appropriations of millions of dollars of federal funds for lines each year have been followed by the building of a substantial number of generating plants and transmission lines duplicating the existing power supply, the building of some distribution lines that overlap and duplicate electric company lines and the buying of utility lines."

**IF IT'S COMPETITION, THEY ASKED FOR IT** (Courier-Journal, Louisville, Feb. 27) -- C. W. Kellogg, president of the Edison Electric Institute and spokesman for the nation's utility industry, complains against "competitive handicaps" imposed by R.E.A. activities, and promises widespread extensions of rural service in spite of them.

...The private utilities, in the years before R.E.A. was created, displayed generally no great zeal about extending services into the rural areas. When they moved at all in those days, it was in the slow process of cautious and profitable development rather than in the spirit of enterprising service. In Kentucky only 3 percent of farms were electrified in 1935. Five years later, the percentage had risen to 15.3. In the meantime, R.E.A. had been created.

....Far from lamenting the competition of the R.E.A., private utilities ought to see that the public agency has been a stimulating force and that their policies of the monopolistic past had fairly asked for it.

**ELECTRIFICATION FOR 13,000 IOWA FARMS IN 4 YEARS** (Messenger & Chronicle, Ft. Dodge, Ia., February 22) -- ....Nearly 13,000 Iowa farms have been electrified by Iowa's business managed electric companies in the last four years, according to President C. A. Leland of the Iowa Utilities Association.

Today, as a result of wartime extensions, the hi-lines of Iowa's business managed electric companies serve 51,500 farms, says President Leland. This is a ninefold growth between World War I and World War II. Rural electrification has been almost three times as fast as urban.....Mr. Leland goes on to say that the electric industry invested over \$1,000,000 in developing rural lines from 1923-30. Property taxes on rural lines are over \$500,000. In addition, federal energy taxes amount to \$102,000 annually.

**ELECTRIC LINES OFFERED UNDER NEW "\$3 PLAN"** (Washington Post, Feb. 23) -- The board of directors of the Tri-County Cooperative of Legsburg announced today that it has adopted the area service plan promoted by the Rural Electrification Administration. This plan provides for rural line extensions upon a monthly guarantee of \$3.

Supt. John A. Johnston explained today that the plan will afford a substantial saving to farmers in the area served by the cooperative not now receiving service. These savings, he said, are made possible by a reduction in the interest rate of

funds borrowed by the cooperative to construct lines.

The cooperative, he added, originally found that interest rates on its original loans and repayment terms were such that monthly guarantees in excess of \$3 were required. The cooperative's adoption of this new plan will make electric service available to every farm in Loudoun county and adjoining portions of Clarke, Fauquier, Fairfax and Prince William counties.

The cooperative has operated in this area for more than five years and has maintained offices in Leesburg. At present it serves more than 500 farm families with a system of about 280 miles of lines.

HAPPY BIRTHDAY (editorial in Times-Democrat, Flemingsburg, Ky., February 29) --  
.....Just seven years ago the blessing of light was brought to the rural sections of our county and its neighbors through the Fleming-Mason REA Co-operative Corporation. Since that time much progress has been made and the beneficial results of the enterprise cannot be measured in dollars and cents....nor in the happiness and comfort it has brought to its many users.

....It has lightened the heavy burdens of farmer and housewife at a time when labor saving devices has meant the difference between success and failure. It has meant much to the business of the counties involved in the sale of electrical appliances and many a war bond has been earmarked for future conveniences.

....Plans for post war construction provide for service to an estimated 6,500 consumers, involving construction of 2,000 miles of line. The many man hours of labor involved in this project, the materials required, and the increased business in electrical equipment and appliances would be stupendous and would go far in providing employment for returning servicemen....

It is unfortunate that one of the "birthday" gifts received by the cooperative was notification from the Administration that loan allotments to all Kentucky co-operatives had been suspended because of a recent Public Service Commission ruling..when the Commission granted a certificate to the Kentucky-West Virginia Power Co., to build lines, a part of which had been given REA co-operatives in earlier certificates.

....Private power companies have had ample opportunity in the past to give electrical service to rural sections, but spent many years dangling false hopes in the face of farmers....Now that REA has been successful, there is much hue and cry over unfair competition.

COMMISSION OUTLINES KY. - VA. STAND (Allan Trout, Courier-Journal, Louisville, March 1) -- The Public Service Commission has denied a rehearing to four R.E.C. cooperatives opposing the 1,156-mile rural expansion of the Ky-West Va., Power Co. Curtiss Brown, Brandenburg, president of the Kentucky Rural Electroc Co-operatives Association, immediately began plans to appeal the case to the courts.

TILLS OF THE VALUE OF REA TO THIS AREA (Glasgow Times, Glasgow, Ky., March 1) --  
..."The recent adverse decision laid down by the state utility commission goes deeper than most people realize," writes L. L. Wells, president of the Farmers Rural Electric Corporation.

"You carried a story a few weeks ago announcing our plans to extend service to 4,000 new rural consumers with the construction of 1,200 miles of line. The consummation of this project would mean much as a stimulus to business in this area. The construction of lines would require investments of about \$1,000,000, the wiring of farms \$400,000, and on the basis of our survey, farms now unserved would invest \$1,734,820 in necessary electrical appliances..We cannot help but become enthusiastic over this program; and we do not intend to sit idly by and see it thrown out the window....."

GEORGIA LAGS IN RURAL ELECTRIFICATION (C. E. Gregory in Atlanta Journal, Feb. 25)--- Georgia is still far behind most other states in the extension of electric light and power lines to the farms, but the outlook for the future is more encouraging, according to W. N. Danner, of the Department of Agricultural Engineering at the University of Georgia.....

During the nine years since 1935 the REA has loaned over \$18,500,000 to 42 Georgia cooperatives which have built more than 20,500 miles of electric distribution lines in 155 of Georgia's 159 counties...Extensions are being planned which will serve at least 50,000 new customers.

The Georgia Power Company has about 5,000 miles of rural electric distribution lines. It is planning an extensive postwar program that will provide several thousand miles of additional lines.....There remains a substantial amount of territory without electric service....It is hoped the Georgia Power Company and the REA will cooperate to the fullest extent in serving these farms.....

RURAL ELECTRIFICATION IN GEORGIA (March 1 Letter reply to editorial, "Georgia Lags") --"Georgia does not lag by comparison with Tennessee...or with the other South-eastern states... Throughout the entire South and border states, Georgia is not lagging but leading.

..."Since 1936, rural customers served by the Georgia Power Company have more than doubled, an increase from 30,176 to 63,000 in little more than eight years. During the same period, the REA program has achieved a success in Georgia that is outstanding among the 48 states, and the REA cooperatives are now serving 65,000 rural customers in our state. Through the efforts of the power companies and the REA, singly and in friendly cooperation with each other, Georgia has been going forward more rapidly than almost any other state--not lagging but setting the pace!".. P. S. Arkwright, President Georgia Power Company.

EXTRA APPROPRIATION BILL PASSES SENATE (Commercial Appeal, Memphis, March 1)--- The Senate (State) completed legislative action on a House bill to relieve electric cooperatives of payment of the ad valorem tax for the next 4 years in order to permit expansion under REA assistance.

EFFORTS OF NINE YEARS FAIL TO BRING FARMERS SERVICE --Marietta (Ohio) Times, Feb. 21.--(Ed. Note: Statements <sup>reprinted</sup> from critical editorial and "news" story) Twenty-four Palmer township/<sup>residents</sup> have been trying for nine years to get electric service. They met all the...regulations of the WPB. In 1943 they requested a private utility company to serve them, and it is willing to do so. Today they are still without service. They are among 248 prospective consumers who have asked for service and have not received it....The company...received notice that the Washington Rural Cooperative had been given permission (by the Office of War Utilities) to build a larger project. This letter stated:"...This application was approved for the cooperative in preference to the construction which you proposed because of the fact that the cooperative application included 248 farms and yours covered only 24...The cooperative can provide service to the customers included in your application without the use of more critical materials than you would need....."

ELECTRIC CO-OP TOLD TO SELL \$50,000 NOTE (Richmond, Va., Times-Dispatch, Feb. 21)-- The Northern Neck Electric Cooperative was granted authority yesterday by the State Corporation Commission to sell its construction note for \$50,000, to bear interest at 2 $\frac{1}{2}$ , to the Rural Electrification Authority and to issue an additional 800 memberships at \$5 each. The funds from the note, it is understood, are to be used in the expansion of the cooperative's service. With the sale of this note the cooperative will have borrowed a total of \$427,000 from the REA, according to the commission's order entered yesterday.

FARM POWER STRIKES A PROFIT -- Successful Farming, February 1945. Mark Collier, farming 160 acres at Muscatine, Iowa...signed up with REA in '38, spent \$2,079 to electrify his farm..paid \$122.03 for 4,750 kwh in 1944...profited as follows: The electric milker allowed him to add ten cows, milks whole herd of twenty in an hour, saves 20 minutes per day, 900 man-hours per year...The electric refrigerator kept the milk at Grade A, worth 30¢ more per cwt.; added \$313.50 to total output of 109,527 pounds---paid for current used, plus depreciation and 5% interest

on investment....left time to care for hogs which dropped 37 litters this year against 22 last year, 50,000 more pounds of pork.....

Inside the house, the electric range costs less than coal or kerosene; the refrigerator saved three trips to town per week; the washer and other items replaced the irreplaceable hired girl, saved her wages....Postwar, the Colliers plan to add a grinding mill, deep freeze unit...kilowatts kick up profits on a modern farm.....huge machinery and appliance market indicated after the war when widened REA and public utilities facilities will increase electrified farms by 50%..... (Note: These facts are cited in an advertisement by Successful Farming in the March issue of Electrical Merchandising).

#### ITEMS OF INTEREST TO THE STAFF

Electrification--Congressional Record, March 8. Extension of remarks of Rep. Rankin, Miss., commanding the successful progress of the REA program and inserting Administrator Neal's address discussing REA progress (pp. A1121-2).

A change of Front -- Iris Davenport in Southern Agriculturist, December -- Mr. and Mrs. H. A. Moore specify proximity to REA line as one of main qualifications for their new Arkansas farm.

Electrification Meeting Slated -- Minot, N. D., News, February 17. -- Mass meeting for Renville county farmers interested in rural electrification scheduled for February 21 in Mohall, N. D.

350 Turn Out For Area Meet -- News-Journal, Mansfield, Ohio, February 25. Holmes REA Co-op second in income per mile in state.

Bowman May Have REA Mass Meeting -- Tribune, Bismarck, N. D., Feb. 28. To determine interest in establishing a cooperative.

Co-op Foes Face Open Hearings -- Farmer's Union Herald, February 23.

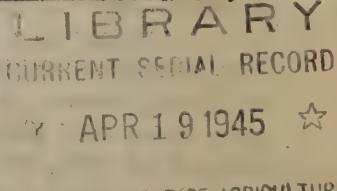
Rural Electricity Sought in Jackson County -- Times, Portsmouth, Ohio, February 28. Revived hopes for early approval of plans.

Cheaper with a Joker -- Times-News, Twin Falls, Idaho, February 15 -- Editorial. Two opposing views expressed by members of the state legislature 1) "The federal government should be made to bid on the rights-of-way in competition with private individuals. The money thus derived would go in support of school districts which would suffer if the lands were given away." 2) "I am sticking by the farmers. I favor getting electricity for farmers and for getting it as cheap as possible."

The Pump Irrigation Center of Nebraska -- The County Officer Magazine, November 1944. The fertile Platte Valley as an REA trial grounds for testing the feasibility of a large capacity three phase farm distribution system for irrigation and other farm use.

REA Outlines Ambitious Post-War Program--Public Utilities Fortnightly, March 15. Disparagement of REA's postwar report.

In addition, the Digest has received three clippings concerning post-war rural electrification, six concerning rural telephone service, and 178 concerning President Roosevelt's nomination of Aubrey Williams to be REA Administrator.



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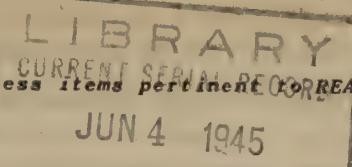
# REA PRESS DIGEST

A semi-monthly summary of press items pertinent to REA

Vol. III, No. 18

JUN 4 1945

March 31, 1945



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**CHANGE IN VIEWPOINT NEEDED IN RURAL SERVICE** (Editorial in Electrical World, Mar. 17).....Rural electrification is not an end to be worked for. It is only a means to an end, a means that must be joined with many others if the end is to be achieved. The end is two-fold. It is to raise rural up to the level of urban living in terms of freedom from household drudgery, and to improve and increase farm production in the same way industrial production has been improved and increased.

Because the means was confused with the end, the real purpose has suffered. Too many thousands of farmers, with and without electricity, look upon it as a luxury to be afforded; too few thousands know it as a productive tool they can't afford to be without.

**WHO SHALL HAVE ELECTRICITY?** (Kentucky Farm Bureau News, March) -- Thousands of Kentuckians may never receive the blessings of electricity if a recent decision of the Kentucky Public Service Commission is permitted to stand.....By this decision the Commission has determined who shall have electricity, and their decision means that only those rural Kentuckians who live in comparatively populated areas shall have central station electricity. They have closed the door to REA Co-ops reaching areas more thinly populated.....

**FEDERAL RURAL POWER URGED AT STATE HOUSE HEARING** (Boston Daily Globe, Mar. 20) -- Enactment of a bill for Federal rural electricity on a non-profit, cooperative basis was urged before the Legislative Committee on Power and Light if private utility companies cannot be stirred into providing long-awaited service.

"Something is seriously wrong in the utilities situation", legislator counsel told the committee, pointing out that 17% of all farms in the state are without electric power.

Representative Frederick E. Pierce said Federal electrifying in Massachusetts would be an "invasion of state rights" and tend to discriminate against certain interests to the benefit of others.....

Sheldon E. Wardell, representing Massachusetts Gas and Electric Association, said additional expansion service, "would be provided were it not for priorities". At this point, Judge Rowe remarked that private companies had plenty of opportunity to extend service before the war, but they had refused.....

**LIGHT TO THE FARM** (Editorial in Boston Daily Globe, Mar. 21) -- Gov. Tobin in his inaugural urged that Massachusetts enact legislation to permit farmers' cooperatives to secure loans from the REA. The enabling legislation is now before the Legislature.

Five thousand farms in this state are without electricity. They are in thin territory where the expense of extending regular service has proved prohibitive. Farmers' cooperatives in 46 states can borrow from the REA to string their own wires and obtain farm power and household light and convenience. Every state, except Rhode Island and Massachusetts, has made it possible for farm cooperatives to take advantage of these loans to install electricity.

The need for legislation here is that the law makes no distinction between electric light companies and farmers' cooperatives. Under it, a group of farmers would have to raise capital for half as much as their loan before they could borrow. This is impossible to them. The REA was set up to make capital available to them on a long-term loan.

(Articles on the same subject appear in 4 different Massachusetts papers.)

**THE GEORGIA POWER COMPANY AND THE REA'S** (C. E. Gregory in Journal, Atlanta, Mar. 22) -- ".... Saddest record in the Georgia Public Service Commission record is the order of Dec. 9, 1944,

which gives the Georgia Power Company authority to extend its lines to serve 6 customers in territory covered by a contract made by the Central Georgia Electric Membership Corporation in 1941 for an extension to cost \$143,000 and serve 223 consumers.

"The Central Georgia Membership Corporation could not get material for the extension because of the war, but the Georgia Power Company had a priority and could get the material, so took the line over the protest of the co-op. The REA did win one point, as the commission ordered the power company to extend the lines to serve 17 others on the same tap who had made contracts with the REA, instead of just skimming the cream. The cooperatives have built 20,500 miles in Georgia compared to 5000 miles built by the Georgia Power Company in its long history. That is why the writer thought maybe the REA's were doing more for the farmers of Georgia."

**HUGE POSTWAR EXPANSION PROGRAM PLANNED BY REA** (Atlanta Journal, Mar. 18) -- ....Using a factor of \$2,000 per man-year, the \$111,000,000 post-war expansion (in Georgia)means 55,000 man-years of labor. "At least half of that total....is going to be worked by Georgians. Electrical equipment is largely manufactured in the North, but Southern wholesalers will sell and install it.... Each newly connected consumer needs at least \$30 worth of Georgia pine poles, and a quarter of the cost of building power lines is direct labor for men to trim trees and dig postholes, women to keep accurate records...."

**REA OFFICIALS BACK NEW CONSTITUTION** (C. E. Gregory in Journal, Atlanta, Mar. 24) -- "....The REA will lend cooperatives money for generating electricity as well as distributing it, and that is why Rep. Walter Harrison, state president of the REA's, and other legislators....fought so hard for the provision in the new Constitution allowing counties and cities to issue revenue certificates for the construction or acquirement of electric plants.

"REA officials see in the authority for counties and cities to build electric plants, and the proposed Federal development of power sites along the Savannah River, an opportunity to secure electricity for Georgia farmers on a competitive rate basis, and therefore a cheaper one."....

**RURAL ELECTRIFICATION INQUIRY ASKED** -- (Observer-Dispatch, Utica, N. Y., Mar. 8) -- Appropriation of \$200,000 to finance a Public Service Commission investigation as to the need for rural electrification in New York state is asked in a bill introduced yesterday by Assemblyman Emma, Oneida County Democrat.

His measure also would instruct the commission to prepare maps showing where electrification is required and formulate and put into effect plans for supplying those areas.

**LIGHTS FOR THE BARN** (Star, Rockford, Ill., March 7) Disparaging editorial based on report of C. W. Kellogg, president Edison Electrical Institute. "Speaking of the work of the REA, Mr. Kellogg points out that agency was designed....to put power into unserved areas beyond the reach of electric companies. There could be no criticism of this federal project, had it stayed within bounds. But REA spent a great deal of money erecting transmission lines and even building generators duplicating existing power supply....This has been to the hurt of regions where REA might have pioneered power installations.

"The plaint is constantly heard that electric companies seek to cultivate the richer territory, leaving REA regions poorer in customers. But it was for that very purpose of extending electricity to the more sparsely settled areas that REA was given access to public capital and tax-exempt privilege. The private companies, through normal growth, would eventually have been able to reach all, but the government wanted to speed the process, and the speeding of it was the reason for REA. Default on that purpose by REA makes the agency merely another administration instrument for fighting the utilities; it doesn't wire the far-out farm."

**FARM POWER COST STUDY** (Business Week, Mar. 24) -- A detailed cost and production analysis of users of electricity on a small farm is being obtained under careful test conditions on a 160-acre dairy in Trumbull County, Ohio. The project is being sponsored by the Ohio Public Service Company with the Doane Agriculture Agency, farm-management concern, analyzing the results.

The first two months showed an operating profit of \$6.65 over the \$10.92 cost of electricity, although such a profit was not expected until such units as a deep well pump had been installed.

**NO MORE HAY SPOILED BY WEATHER MAN** (Wallace's Farmer and Iowa Homestead, March 17) -- Haymakers may outwit the weather man yet. Farmers ....are drying hay in the mow with power-driven fans. The new system requires a specially constructed ventilating system on the floor of the haymow. Fans, usually powered by electricity, drive the air through the ventilating system. Hay is cut early in the morning on a day that promises sunshine. Dried as rapidly as possible for 5 or 6 hours, it is then stored in the ventilated barn on the same day.....

Six to eight feet of hay is the greatest depth recommended for drying at one time. Fans are operated continuously during the day when hay is being dried.....Barn drying of hay enables farmers to save crops in wet seasons. It prevents loss of leaves.....and insures a higher quality of hay.

**USE OF ELECTRIC LINES FOR TELEPHONE SERVICE FORECAST BY REA OFFICIAL** (Nashville Banner, March 24) -- The possibility of distribution lines of the Caney Fork Electric Cooperative, which serves 2,025 families in Warren, DeKalb, Van Buren and White Counties, being used as telephone lines after the war, has been made known by Oscar E. Womack, president of the cooperative.

Womack is in receipt of a letter from William J. Neal, Acting Administrator of the Rural Electrification Administration, in which he discussed such a possibility and outlined the progress that has been made toward utilizing power distribution lines as voice carriers. Mr. Womack said that he has also had many inquiries recently concerning the matter.

"Some day the lines may be used for that purpose. How soon, depends on the length of the war and further technical developments," said Mr. Womack.

Womack said that it would be impossible to estimate the economic and social value of such a facility. Citing the lack of telephone service in the area served by the Caney Fork Cooperative, it is pointed out that only 450 farms out of a total of 5,000 are served with telephones. Of the 2,025 farms served by the local cooperative only 200 have this service.

"There are many families who want telephones but cannot get them because of the lack of facilities or the cost. Our power co-op could provide better electric service if more of its member had reliable telephone service to let us know when things go wrong," Mr. Womack said. (Similar articles in The Journal (Monte Vista, Colorado); The News (Alamosa, Colorado,); Semi-Weekly Sentinel (Le Mars, Iowa,); Wood County Echo (Quitman, Texas); Monitor (Mineola, Texas); Wood County Democrat (Quitman, Texas); Daily Press (Clarksdale, Mississippi) and The Standard (Bourbon, Missouri).)

#### ITEMS OF INTEREST TO THE STAFF

**Development of Rural Electrification Engineering** -- Congressional Record Appendix, March 23 -- Speech by Guy W. Thaxton delivered before the NRECA at San Antonio, Texas; inserted by Congressman Rankin.

**Kentucky Co-ops Propose Court Action for Territory** -- Electrical World, March 10 -- ".....The new sections logically belong to the private utility by reasons of proximity, accessibility, and non-competition with REA in its development of farm service.

**REA Vital To Them** -- (Letter in Courier-Journal, Louisville, March 22) Appeal from a reader, "...I cannot understand why the Public Service Commission thought its recent ruling was in the interest of the people as a whole..."

**Anti-REA Decision Deplored; - Expansion Endangered** -- (Excerpts from William J. Neal's Memphis speech on Kentucky situation) Courier-Journal, Louisville, March 20 -- "...Private power companies have been allowed to pre-empt choice territories needed by the cooperatives in order to build well-balanced power systems."

**The Menaced REA Program** (Letter from a reader) Courier-Journal, March 23 -- ".....All who have watched the progress of TVA bringing power and light at a reasonable rate to farms of the South .....wonder about the recent ruling of the Kentucky Public Service Commission stopping or seriously hampering the REA in Kentucky."

**Western Utilities Plan for 1945** -- Electrical West, February, 1945 -- REA's plans for post-war rural electrification in the West.

Rural Electric Project Started -- Baltimore Sun, March 3. Potomac Edison Co., plans 1,250 miles of rural lines near Hagerstown.

Mississippi Surveys Its Markets -- Electrical Merchandising, March 1945. Potential users of electrical appliances and what they will buy as conducted by the Mississippi Power & Light Company.

In New Mexico -- Journal, Albuquerque, March 17 -- REA has approved construction of the first unit of Springer Electric Co-operative providing for 133 miles of high line.

Taxes, Etc. -- Union Bulletin, Walla Walla, Washington, March 11 -- Comments on a letter distributed by Public Utility Districts Research and Information Service, Seattle. Favorably disposed to private interests.

Cites Economic Problem Facing Farmers -- Times-Dispatch, Richmond, March 10 -- President of State Farm Bureau reviews the work of the Virginia federation in setting up democratic principles of the REA.

District Power Meet -- Journal and Star, Lincoln, Nebraska, March 18 -- Ninth Annual Convention of Rural Public Power Districts.

Farm Bureau To Survey Need For REA Service -- News-Herald, Hutchinson, Kansas, March 4.

State Seeks Dismissal of Appeal by REA Co-op (Arkansas Democrat, Little Rock, March 16)

Co-ops Want Housing Setup on REA Lines -- P. M., New York, March 23.

Mass Meeting To Organize REA Co-op Called -- Tribune, Bismarck, N. D., March 14.... "Not within experience have farmers been so unanimously in favor of any government program as this one...."

Cooperative Action -- Hoosier Farmer, March, 1945 -- An account of services cited as routine member contribution to the success of REA co-ops.

Doubled Bonus Proposed for State Workers -- State Journal, Madison, Wisconsin, March 7-- Senate (state) committee on agriculture and labor introduces bill transferring rural electrification division, apparently aimed at the present rural electrification co-ordinator.

Is Your Electric Fence Safe? -- Article in Farm-Safety Review, March-April issue.

Cooperators Want Appliances, Cooperatives Will Supply Them -- Co-op Magazine, February 1 -- National Cooperatives appliance committee has adopted such a program.

Powers for Commission to Speed Up Statewide Electricity Supply Plans (one of seven clippings from Telegraph, Brisbane, Australia, all about Australia's plans for rural electrification.)

Application Made for REA Service -- Argus-Leader, Sioux Falls, S. D., March 9.

St. Louis Over Top in Drive for Red Cross -- Globe-Democrat, March 20 -- REA among list of high-contribution groups.

Many Colquitt Homes Have Electricity -- Constitution, Atlanta, March 18 -- More than 44 per cent of rural homes of Colquitt County are electrified, a census by the school system shows.

Verendrye Co-op Has 1,500 Miles of REA Lines Ready To Build -- News and Optic Reporter, Minot, N. D., March 13 -- "The Verendrye Co-op group ranks first among REA organizations in U. S. in number of kilowatt hours consumed per farm."

Local Cooperative Would Add 900 Consumers -- Advocate Democrat, Maryville, Kansas, March 15. (Similar articles in Axtell and Seneca, Kansas newspapers.)

New York Times, March 21. Reference to Appropriations Committee recommending \$60,000,000 in loan authorization for the REA as compared with \$150,000,000 suggested by the Budget Bureau.

The Digest has received six additional clippings concerning post-war rural electrification, twelve concerning rural telephone service, and 216 concerning President Roosevelt's nomination of Aubrey Williams to be REA administrator.

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# REA PRESS DIGEST

A semi-monthly summary of press items pertinent to REA

APRIL 1945  
RECORD  
DEPARTMENT OF AGRICULTURE

April 30, 1945

Vol. III, No. 19

LARGE REA GROWTH SEEN (Marr McGaffin in Des Moines Tribune, Apr. 3) --- Predicting a greater demand for electrical service by farmers than has ever been seen, Secretary of Agriculture Claude Wickard urged Congress Monday to speed up action which will authorize the financing of more rural electrification projects. ....

To meet this demand for expansion for rural electric service, Wickard told the Agriculture Committee he would like to see five million dollars appropriated immediately for surveys and preparation plans for development for new REA districts.

In addition to that, he asked that REA be given a credit authorization of 585 million dollars for financing new projects during the next four years. Under terms of the proposal would be made available the coming fiscal year, 150 million dollars for 1946 and 200 million dollars for 1947 and 1948 each..... (Similar articles in the Topeka Capital And St. Louis Post-Dispatch.)

EDITORIAL BY WICKARD (Herald, Decatur, Ill., Mar. 29) --- This is an editorial by the Hon. Claude R. Wickard, secretary of agriculture. Secretary Wickard probably did not realize that he was dictating an editorial as he spoke before the appropriations committee of the House of Representatives, but this is the way it comes out in the official record:

"Rural electrification is a program which will take on added importance when peace comes. Not only will the extension of rural electrification mean better living and greater farming efficiency to millions of farm families, but it also will provide employment for large numbers of workers in the mines, in the factory, and on line construction projects.

"The vast market for electric appliances which contemplated R. E. A. power will create would go a long way in promoting post-war prosperity. Rural electrification is recognized today as an essential of modern farm living, not only because of its contribution to the health, welfare and income of individual farm families, but also to rural communities, industries, schools and churches.

"Electric service in the farm home means a better standard of living, better food preservation, freedom from drudgery, adequate lighting and improved sanitation. Electric power provides for more effective and profitable performance of farm operations. The soundness of this conclusion is borne out by the fact that electricity has enabled thousands of farms in this country to increase production of food during the war years, notwithstanding an acute shortage of manpower."

'WHEN' IS BIG QUESTION ON ELECTRICITY (Memphis-Press-Sun, Mar. 20) --- Excerpts from Acting Administrator William J. Neal's speech before the Memphis Agricultural Club: "Farmers are beginning to appreciate the labor-saving advantages of electricity.... The use of electric power is going up rapidly. Most of our loans were based on a consumption of 60 to 100 kilowatt-hours per month per home. Now we have a number of cooperatives where the average consumption is more than 200. Many small local industrial users have connected with our lines---limestone crushers, saw mills, feed mills. Six hundred of our 800 borrowers are ahead of their payments on our loans to them. Some loans are completely paid off. ...."

Today REA is connecting 10,000 farms a month, 50 per cent of the pre-war number, according to Mr. Neal. The most activity is in Texas and Oklahoma. Missouri is getting much REA electricity, too. "In this section (Mid-South) we are connecting a good many people, but the amount of mileage is not so great. The amount of line we can run depends upon the number of animal units it will serve....."

But REA has run into a difficulty of increasing magnitude---commercial electrification interests. "Privately-owned electric companies are antagonistic toward us, though we serve

territories they never reach. They want to serve the communities where farmers live close together," Mr. Neal added. (Similar article in Louisville Courier-Journal, same date, credited to A P)

**90 PC. OF VT. FARMS CAN BE ELECTRIFIED WITHIN SHORT TIME AFTER THE WAR** (Free Press, Burlington, Vt., Apr. 4.) -- The graphic story of rural electrification in Vermont has been laid before legislators in individual town maps which result from the first complete mapping survey of the state....The maps show who has electricity available and how electric lines may be extended house by house....

The ... expectation of 90 per cent electrification is gained on the basis of 68.8 per cent present electrification and 6.3 per cent of the total number of farms located within a quarter mile of existing lines. "To this would be added 4,000 farms as soon as the manpower and material restrictions imposed by the war are removed.".... (Similar articles in Newport, Vt. Daily Express and the Hartford Courant.)

**POWERING OUR FARMS** (Editorial Boston Globe, Mar. 21) — In Massachusetts 85 per cent of our farmers enjoy the benefits of electricity. That means that of our 32,000 farms, only 5,000 are unpowered. They are mostly small producers. A ....survey indicates the average to be 25 acres.

They still should be given an opportunity, and if established companies cannot do it, the REA may, in a few cases, be the only recourse. But under the prevailing rate practice, a farmer can usually get current by guaranteeing to use \$2 worth per month for every third of a mile of line constructed. An REA loan might extend the cost over a longer period, but even this is no gift. The necessity for it here is doubtful.

**GOP VOTES KILL RURAL POWER BILL** (Boston Herald, Apr. 3) — Gov. Tobin's inaugural recommendation for establishment of rural electric cooperative corporations, to provide rural electrification, was killed by the Massachusetts House yesterday, by a rollcall vote of 126 to 86.

Although the bill was advocated strongly by the Democrat c floor leader, it was opposed generally by Republican members from rural districts, who protested that there was no need for the legislation in Massachusetts.

**POWER COOPERATIVE PLAN FILED IN BAY STATE** (Shelly Pierce in Journal of Commerce, New York, Apr. 3) — An effort is being made in Massachusetts to enact legislation which would make it unnecessary to secure the authorization of the State Department of Public Utilities to form cooperatives for the purpose of engaging rural electrification..... A bill provides that five or more residents of the Commonwealth may associate themselves as a cooperative membership corporation without capital stock for the purpose of supplying electric energy to persons in rural areas who are not receiving central station service and for promoting and extending the use thereof without profit to itself.... (Other articles on the Massachusetts situation appear in the Boston Herald Mar. 31 and Apr. 3.)

**THE FIGHT AGAINST FARMER COOPERATIVES** (Editorial in The Missouri Farmer, April)---Certain misguided people have been waging a vicious attack upon cooperatives, chiefly through disseminating misinformation in a wholesale manner....Missouri is one of the leading states in farmer cooperative activities. We estimate the number at around 200,000 of the State's 250,000 farmers participating.....

What is the object of these cooperatives in Missouri? They are organized for the purpose of increasing the farm income.... The enemies of farmer cooperatives make certain charges. They are saying blandly that farmer cooperatives pay no taxes, that they go "scot free", as they put it.... Any savings a cooperative makes do not belong to the cooperative---they belong to the patrons, and the patrons DO pay income taxes on the money they receive.....

**VIRGINIA POWER FIRM PROPOSES FARM LINES** (Star, Washington, D. C., Mar. 19) — The Virginia Electric & Power Company submits a plan to the Corporations Commissions of Virginia and North Carolina for expanding its rural electrification program in the two states.....

The rural extensions will be constructed by the company when monthly revenues from the new

lines will average not less than \$6 per mile. The minimum monthly charge for service is fixed at \$2 and, except for this minimum charge, customers will be served at regular rates....

**MORE POWER TO 'EM** (Article in Southern Agriculturist, April)---....It took salesmanship to send the first power lines marching into Upshur County, Texas....Sam Scales kept buttonholing farmers. "Electricity will more than pay its own way," he assured them. "How?" some asked.

"Give electricity the proper tools and it'll do dozens of jobs for less than three or four dollars each month....The more equipment and power you buy, the more you'll cut costs and the more you'll enjoy life." He convinced many....It was slow going at first, but as farmers found out about "electric muscle-power"....the cooperative continued to grow....They saw in the REA movement a chance to become "city folks even though we live on farms", as one of them phrased it. Another member beamed, "Electricity is wonderful. It eliminates the drudgery which spoils country life."

**UTILITY OUTLOOK FOLLOWING WAR CALLED BRIGHT** (Herald Tribune, New York, Mar. 28) -- Loss of revenue by utility companies from curtailment of industrial loads with the end of the war will be quickly made up by additions in the more remunerative commercial and residential departments, Harold H. Youhg, public utility analyst of Eastman, Dillon & Co., told members of the Association of Customers' Brokers at a meeting yesterday in the New York Stock Exchange....

He predicted big increases in commercial and residential electric loads after the war, as both older and newer types of appliances appear on the market, as rural electrification is intensified and with repeal of daylight saving. He cited as another favorable sign the probability that many companies would be able to concentrate generation in their newer and more efficient plants and to make less use of high cost plants and purchased power when war demands slacken. ....

#### ITEMS OF INTEREST TO THE STAFF

**ANNUAL MEETING IS HELD BY CO-OP** -- Herald-Whig, Quincy, Ill., Mar. 21 -- The all-day rain did not stop the large crowd of REA members attending the annual meeting in Palmyra.

**FOR ADEQUATE, SAFE WIRING** (Editorial) The Farmer, Mar. 17 ---A guide has been designed by a board of experienced men from the College of Agriculture (Minnesota), REA, and private utilities companies pointing to what constitutes adequate, safe, and economical farmstead wiring systems.

**CRACKERLAND IN WASHINGTON** (Ralph Smith editorial in Atlanta Journal, Mar. 27) -- How Georgia representatives, especially Judge Malcolm Tarver, fought for agricultural appropriations, including REA.

**PRIVATE FIRMS WITH LOWER (?) RATES THREATEN TO HALT REA EXPANSION** (Allan Trout) Courier Journal, Louisville, April 1.

**U. S. AGRICULTURE TO HAVE MANY JOBS**, Atlanta Constitution, Apr. 3 ---"REA will probably be the first agency of the Dept. of Agriculture to experience development when the nation reconverts."

**APPLICATION FOR RURAL ELECTRIC LINE IS FILED** -- Arkansas Democrat, Little Rock, Apr. 1 -- Arkansas-Missouri Power Corporation applies for a certificate of convenience and necessity to construct and operate a rural electric line to serve 3 rice well pumps located one mile south of Hoxie. Cost of construction will be about \$2,894 and estimated annual gross revenues will be \$1,500, the application stated.

**WHO PROMOTED GOVERNMENT OWNERSHIP IN ARIZONA** (Reprint in Dunbar's Weekly from Tucson Star, Apr. 16) -- Disparaging anti-utilties editorial.

**BOARD REJECTS POTOMAC RIVER DAMS PROJECT** -- Baltimore Sun, Apr. 5-- ,..Support (for the dams) had been fitted by electric cooperatives which might purchase power from the proposed dams. (Similar article in Virginian-Pilot, Norfolk.)

**FARMERS IN RANDOLPH ASK ELECTRIC SERVICE** -- Greensboro, N. C., News, Mar. 27) -- Possible 100 per cent electrification in the postwar period.

BURLEIGH-SHERIDAN FARM FOLK FORM ELECTRIC COOPERATIVE -- Bismarck, N. D., Tribune, Mar. 29 --

REA FUTURE SEEMS ASSURED IN POSTWAR YEARS -- Marshalltown, Ia., Times-Republican, Apr. 11.

SURVEY OF FARM NEEDS MADE -- Butte, Montana, Standard, Mar. 25 -- Electrical equipment to be in demand.

MANY ELECTRIFIED FARMS IN OREGON -- Portland Oregonian, Apr. 3 -- Statistics on rural electrification in Oregon, according to a report by Senator Maybank before House of Representatives.

SHOP TALK AMONG COOPERATIVES -- Eastern State Cooperator, March -- Reprint from RE News of "You Can Cure Hay In The Barn".

POWER-FARMING BOOM AHEAD -- Capper's Farmer, April -- The era of peace .....is destined....to see a vast expansion of power farming in the United States.

RURAL POWER MEANS NEW JOBS -- Vocational Trends, April -- Electricity in rural districts has lightened farmers' work and increased industrial activity.

REA TO DOUBLE ITS PROGRAM WHEN MANPOWER AND MATERIALS PERMIT -- Greenville, S. C., News, Mar. 26.

Rocky Mountain News, Mar. 21 -- "A group of farmers from the Eastern Slope, who are served by rural electrification units, appeared in the House yesterday to seek action on a bill to reduce REA taxes."

TO REBUILD POWER LINE -- Little Rock Arkansas Democrat, Mar. 20 -- Because of heavy ice-storm damage, Petit Jean Co-op will rebuild a whole section, putting in heavier wire and poles.

ROCHESTER GAS PLANS TO BUILD -- Herald Tribune, N. Y., Mar. 29 -- Building program will include construction of new rural electrification lines and extensions of existing lines.

ELECTRICITY FOR COUNTRY HOMES ROTARY TOPIC -- Herald-Whig, Quincy, Ill., Mar. 28 -- A. H. Holbert, state coordinator for Missouri REA lines, talks on rural electrification and its relation to the security of the Republic.

Times-Herald, Washington, D. C., Mar. 25 -- Rep. Rankin unsuccessful in the fight to increase rural electrification funds from \$60,000,000 to \$150,000,000. The vote was 93 to 71.

REA LINE COST \$304 PER FARM -- Des Moines Register, Mar. 21 -- Statistics about Winnebago Rural Electric Co-op.

RURAL ELECTRIC MEETING GREAT SUCCESS -- Pelican Rapids, Minn., Mar. 22 -- Lake Region Co-op enthusiastic over its member turnout.

FARMERS GAIN IN REA SERVICE -- Charlotte, N. C., Observer, Mar. 22 -- Electric cooperatives are serving about 60 per cent of the farms in the state now receiving service. (Similar article in Greenville, S. C., News.)

SCOTT W. LUCAS, A HARD WORKING SENATOR -- (Raymond P. Brandt in Post-Dispatch, Apr. 5) ----Lucas is the author of a bill now under consideration by a Senate Agriculture Subcommittee to expand the work of the REA....a bill "equally as important a piece of legislation as the original REA Act."

WLB REJECTS DOWNWARD WAGE ADJUSTMENTS -- NWLB release -- The War Labor Board, in a decision which may establish a precedent, recently refused to permit reduction in wages in two establishments; there was no change in the duties of the workers. In one case, the company had sought to restore the rates in effect before it undertook a war contract and was required to institute an increase.

The Digest has received three additional clippings concerning post-war rural electrification, five concerning rural telephone service.

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# REA PRESS DIGEST

A semi-monthly summary of press items pertinent to REA

Vol. III, No. 20

May 15, 1945

ELECTRIC SERVICE FOR RURAL AND FARM CUSTOMERS — Advertisement appearing in all local papers in the territory served by Virginia Electric & Power Company publicizing their reduced minimum and \$6 per mile plan for rural extensions. (This company is reported to have taken radio time Saturday, May 12, to answer the WPB control relaxation and to offer service by June 30 to any farmer applying.)

GEAR 1945 RURAL ELECTRIFICATION PLAN TO SUPPLY POWER TO HUNDREDS OF FARMS THROUGHOUT NEW YORK STATE (Corning Evening Leader, Apr. 26) — Shattering previous rural line building records in 1944, New York State Electric and Gas Corporation has geared its 1945 rural electric plans to bring electricity to additional hundreds of New York State farms.

Throughout its state territories the company energized more than 1,600 miles of rural lines in 1944 which brought electricity to about 4,000 additional farms. This mileage bettered the previous record of 1,001 miles built in 1937 by more than 60 per cent.

CONTINUED REGULATION OF REA, PRIVATE UTILITIES URGED BY WATT (Lexington, Ky. Herald, Apr. 10) R. M. Watt, president of Kentucky Utilities Company, sent letters to REA officials in Kentucky counties served by the company. Stating that Kentucky regulations governing co-ops have been a model for other states, the letter said that "wasteful duplication" of rural lines has been avoided in the state under regulations of the Public Utilities Commission.

"Our purpose in urging continued regulation by the Commission is to avoid situations which might result in conflict in the future. For their (the co-op's) part in bringing electricity to farms which otherwise might be denied service all of us owe a debt of gratitude.....In the stress of post-war reconversion to normal standards of living, it is important that all good Americans work together to bring a maximum degree of prosperity and well-being to our people."

YOU BET WE'RE FOR RURAL ELECTRIFICATION (AND PLENTY OF IT)—One-third page ad in the Louisville Courier-Journal and other Kentucky papers May 1 issue by Kentucky Utilities Company, expressing great sympathy for and claim to "continue" to cooperate with the REA co-ops.

NEWS FROM WASHINGTON (Whitney Tharin in Ohio Farm Bureau News, May issue) — "The 'Three R's' for cooperatives in post-war America, as Washington sees it from recent developments, will be Rural Radio, Rural Electrification, and Rural Telephones.

"Cooperative rural electrification had a good start before interruption by World War II..... Congress is now considering a proposed \$585,000,000 authorization for a three-year REA expansion program after the war...."

To all anti-cooperative propaganda sent to him, Senator George D. Aiken has a double-barreled answer. He points out, "There is a similarity between co-op refunds to members, over which co-op foes make so much fuss, and excess amounts returned to the government on war contracts under the renegotiation law."

"Surely," he asks, "no one would say that refunds on war contracts under the renegotiation law represent 'income' to the war contractor." "Co-op refunds," Aiken points out, "represent savings to members just as war contract refunds represent savings to the government and not income to the contractor."

Burlington, Vt. Free Press, April 9 issue says of the state legislature, "A swift end in the senate came yesterday to an act which would oblige electric utilities to provide electricity to certain rural areas now unserved, but which have a stated density of subscribers."

CITY VOTES AID POWER LOBBY (Philadelphia Record, May 4) -- Philadelphia votes enabled the power lobby to win a major victory over rural electric cooperatives in the Senate (state) today.

After a bitter fight in which party lines were split wide open, the Senate by a vote of 28 to 20 passed a bill which, according to opponents, will give the Public Utilities Commission veto power over extension of cooperative electricity into the rural districts of Pennsylvania. Under existing legislation the cooperatives are exempt from jurisdiction and control of the PUC.

REVOLT IN HOUSE MAY DEFEAT BILL OF POWER LOBBY (Thomas P. O'Neil in Philadelphia Record, May 5) -- "Revolt in the Philadelphia House delegation against its city leadership early today delayed and possibly will defeat the power lobby's bill to curtail extension of rural electrification.

"Failure to get first reading at the early morning meeting cost the bill a legislative day..... If the Legislature goes through with its plan to adjourn sine die tomorrow, the bill is dead as the Constitution provides that a bill must be read three times on three separate days.

"Proponents tonight were fighting to delay adjournment until Monday in a desperate last-minute effort to save the bill, but they were not being given much encouragement by legislative leaders.

"(A party) caucus denounced the Homsher bill as 'a plot to serve the power trust'. It accused the power lobby of 'attempting to sneak through Senate bill No. 716 to prevent rural residents from setting up their own electric co-operative organizations'".

SHOW CAUSE ORDER ISSUE IN RURAL ELECTRIFICATION BOARD MEETING-MANAGER DISPUTE (Corning N. Y., Evening Leader, Apr. 24) -- A show cause order restraining the board of directors of Steuben County Rural Electric Cooperative from making immediate changes in personnel (involving the manager) has been issued by Supreme Court Justice John C. Wheeler. The directorate is also required to show why an order should not be granted commanding them to hold a special meeting of all members of the Cooperative.

LOBBYIST STUPIDITY (Washington Merry-go-round, Drew Pearson, Apr. 25) — In answer to a lobbyist criticizing certain government officials as being too "visionary," Congressman Walter Huber said, "I'd simply like to point out that without the vision and the dreaming that created REA and a number of other Federal projects since 1932, you gentlemen wouldn't even have the home to build so you can put bathrooms into them."

CONGRESSMEN GIVE ASSURANCE TO CO-OPS (Farmers Union Herald, Apr. 20) — South Dakota cooperatives meeting in Mitchell...adopted a resolution condemning the activities of the NTEA and asking support of the state's congressmen against any move to fasten new taxes upon farmers. All have replied with assurances that they would act in behalf of the cooperatives when legislative moves are made against the co-ops. All expressed sympathy with the cooperative movement.

THE BIG MONEY--IT ISN'T THERE (Article by Cpl. Sidney Margolius in Collier's Weekly, Apr. 28) — In outlining opportunities for returning veterans, the point is brought out that, "Home appliance replacement needs are obvious. This is another field which offers opportunities in a number of new items such as home food lockers and FM receivers. One enterprising lad still in uniform already is writing manufacturers to secure contracts to handle their post-war products. Because of increasing electrification of the countryside through the Rural Electrification Administration, farming communities will be a new and profitable market."

BUILDING AMERICA (editorial in Herald & Review, Decatur, Ill., Apr. 15) -- ,...If passed and approved the Lucas bill will permit an immense and rapid extension of electric service among the farms of the country.

Few public improvements have equal social importance, for the reason that electricity on a farm is the key to better living in every possible way. A thousand tasks that wore out human bodies and dulled minds are easily performed by electricity. Better citizenship follows the high lines.

**IN NEW MEXICO** (Albuquerque Journal, Apr. 25) — One of the big developments in the state as soon as war-time restrictions are lifted will be in rural electrification. A number of projects have been planned, some cooperatives already organized whose plans have been approved....

If hydro-electric development should materialize in the Middle Rio Grande Valley to supplement the project at Elephant Butte dam, the state should witness a transformation and the supplying of electric power to many remote regions in many counties.

**QUEEN'S POWER PAYS FOR ITSELF** (article by Russell Gingles in Successful Farming, May issue) — "My electric power bill," says Elmer Queen, dairy farmer near Divernon, Ill., "is the cheapest farm bill I have to pay." Queen's monthly electric bill averages only \$12.50, about half the weekly salary now paid hired men—if you can get them..... "I may get tired," he philosophizes, "but my electric motors won't."

Like most farmers who now have electricity, Queen puts a high value on the convenience element of power which he says, "Cannot be put down in dollars and cents in my farm account books...Farming has become a business enterprise and, just as city business would find it almost impossible to operate their stores and factories by the uncertain glow of a kerosene lamp, so farmers feel that adequate electric light is needed to work efficiently."

**RURAL ELECTRIFICATION** (Coal-Heat, April) — Article tracing the growth of rural electrification in the United States..... "Without question, electricity is just as desirable, helpful, and essential to the farmer as it is to the city dweller; indeed, it is more so, because farmers can use it in over 250 different ways. (Enumeration list follows in the article.)

#### ITEMS OF INTEREST TO THE STAFF

**MRS. ROHDE LAUDS 'CO-OPS'**, New York Times, April 29— Speaking at Albion, Ind., before the largest annual co-op meeting in Noble County's history, Ruth Bryan Owen Rohde said, "The cooperatives in Denmark had created a pattern for cooperation.... might well be a model for America, Danish farmers had achieved prosperity because they owned and controlled the elements of their prosperity."

**POWER LINE SYSTEM EXPANSION SOUGHT**, Argus-Leader, Sioux Falls, Apr. 10 — Application for construction, maintenance, and operation of transmission lines in rural Minnehaha county by Northern Power Company.

**REA: NOT MORIBUND BUT GROWING** (letter by Allyn Walters in Fortune, May issue) In reply to a reference implying inactivity of the REA appearing in the March issue, statistics are given showing that, even in spite of wartime curtailments, the REA has not only kept active but has made as much progress in 1944 as in the fiscal year 1937.

Since the last issue, the Press Digest has received 3 clippings about the Lucas bill; 5 about rural telephones after the war; and 19 relative to separating REA from the Department of Agriculture.

**RURAL ELECTRIFICATION TO BE EXPANDED IN GEORGIA**, Augusta Chronicle, April 20 — Post-war plans of the Jefferson County Electric Membership Corporation, Louisville, Ga.

**CO-OPS PAY TAXES SURVEY SHOWS**, Kentucky Farm Bureau News, April —.... "The big important job before co-ops is public relations in acquainting the general public and business interests in particular with just what co-ops are, their technique of working and the great future they will play in the post-war economy."

**A. T. & T. PLANS VAST RURAL PHONE EXPANSION AFTER WAR**, Chicago Tribune, April 13 — Plans to provide telephone service for about 1 million more farms after the war announced.

**NO RURAL ELECTRIC LINE EXTENSION SOON**, Ottumwa, Iowa Courier, April 12 — Shortage of manpower and the difficulty in securing poles given as the reason for a lack of immediate extension of rural electric lines, according to findings of southeastern Iowa representatives at rural electrification meeting.

Reader's Scope, April -- In its program to provide the 60 million post-war jobs, the Administration will back, among other things, rural electrification.

REA DELEGATES OPEN THREE-DAY MEET HERE, Billings, Montana Gazette, April 27 - The recent Montana legislation concerning REA cooperatives electric rates discussed at meeting, a portion of the concluding day devoted to considering postwar projects.

VERMONT'S RISING PROGRESSIVE (Springfield, Mass., Republican, Apr. 20) -- Article about Senator Geo. D. Aiken. "The private utilities cannot stop him. He favored the extension of federal rural electrification projects into Vermont, and the achievement in that field is part of the record."

KEEPING TAB ON WASHINGTON (The Nation's Agriculture, April) -- The House Appropriations Subcommittee on Agriculture in considering agriculture appropriations for the fiscal year 1946 heard President O'Neal present the statement of the Farm Bureau. Among the specific recommendations was, "Favor proposed increase from \$25,000,000 to \$150,000,000 in loan funds for the REA program."

WANT REA IN KIOWA COUNTY, Hutchinson, Kansas News-Herald, April 11. A meeting of farmers at Greensburg was held....to discuss the possibility of electric service on farms of this county through an REA setup.

MECHANIZING SOUTH'S FARMS, Greenville, S. C., News, April 8 -- An editorial about Clemson College reporting a recent survey showing that electrical equipment will cut down labor and increase production, and will be greatly in demand on South Carolina farms after the war.

CONGRESS LEADERS BACK FDR PLANS, Hartford, Conn., Times, April 14 -- Speaker Sam Rayburn said congressional leaders are determined that President Roosevelt's legislative program will be carried along, mentioning specifically the REA.

PLAN EXPLAINED BY REA OFFICIAL, West Palm Beach Post, April 18 -- Advantages of a contract that would give the residents of Lake Worth electricity and provide a government loan to the city for a new light and water plant.

NORTHERN NECK UTILITY PLANS LINE EXTENSION, Washington, D. C., Post, April 26 -- Expansion plans of this REA co-op.

CO-OP POWER UNIT SERVES 2,150 FARMS, Post-Bulletin, Rochester, Minn., April 24 -- Tenth anniversary story sponsored by Peoples Co-op Power Association. "The REA program is paying its own way because farmers are making their electric equipment earn profits for them."

BOTH ALABAMA AND COVINGTON CO-OP DIRECTORS MEET JOINTLY, Andalusia, Alabama, April 19.

TRUMAN BEGINS TALKS AIMED AT BIG ECONOMIES -- REA DUE FOR A TRIMMING, New York Sun, April 25.

SEEK CURRENT THROUGH REA, Hutchinson, Kansas News-Herald, April 22 -- More than 150 farm people voted approval of organizing a rural electric system under REA program...to be called "CMS Rural Electric Association" after the three counties included.

TOMORROW SOLDIER, YOU'LL BE IN THE PLUMBING BUSINESS, article in Printer's Ink, March 30 -- Reference to the RE News cover treatment dealing with post-war employment for soldiers created by the spread of electricity through REA.

# REA PRESS DIGEST

A semi-monthly summary of press items pertinent to REA

Vol. III, No. 21

May 30, 1945

RURAL ELECTRIFICATION (editorial in the Wilmington, Del., News, May 16) — Without a single dissenting voice, the Senate has approved the spending of \$520,000,000 during the next four years to finance new rural electrification projects.

There can be no question that the REA has greatly accelerated the extension of electric power lines to outlying regions. It is also beyond dispute that the areas concerned have been benefited enormously by the projects.

WPB LIFTS BAN, St. Louis Star-Times, May 16 -- The War Production Board revoked an order which practically halted use of iron and steel in manufacture of so-called less essential civilian items. .... WPB retained controls on the use of stainless steel. (Similar articles in Raleigh News and Observer, New York Times, and other metropolitan dailies.)

FULL-SCALE CONSTRUCTION OF RURAL POWER LINES TO START IN COUNTY AFTER WAR, Grand Junction, Colo., Sentinel, May 7 -- (An Information Division release placed in local papers by co-ops; 28 such clippings have been received here.)

TO START POWER PROJECTS, Baltimore Sun, May 14 -- Officials of more than 900 rural electric systems in the U. S. financed by the REA have been instructed to start work at once on delayed projects totalling \$100,000,000. (Similar stories appeared in metropolitan dailies throughout the country, 9 being on file in Information Division.)

INDIANA REA TO RESUME, Indianapolis Star, May 15 -- Many local REA systems can proceed simultaneously with several programs, the work to begin as soon as it can be contracted.

REA WILL HAVE GREATER EXPANSION NEXT YEAR, Denison, Ia. Review, May 17 -- The new electric line construction for the South Crawford Rural Electric Cooperative during the year ahead will exceed that for the current year. This will be good news to some 500 farmers whose homes are prospective units for electrical energy.

REA ALLOTS \$402,000 to Three Missouri Co-operatives, Post-Dispatch, May 14 -- Liberalizing wartime restrictions on power line construction permits the green light for additional rural consumers. (Similar story in Globe-Democrat, same date.)

AEP Plans Electric Lines, Bluefield, West Va., Telegraph, May 23 -- The Appalachian Electric Power Company of Roanoke announced yesterday details of a new liberalized plan for extending electric lines into all rural areas throughout the territory served by the company.

REA DOING WELL IN SOUTHEAST IOWA, Burlington, Ia., Hawk-Eye Gazette, May 3 -- Ten years after the start of the federal rural electrification program, the Southeast Iowa Cooperative Electric Association reported this week that its program in this area compares well with the rate of progress in other sections of the country. (Similar articles in more than 60 weekly and daily publications commemorating the growth of REA all over the nation.)

THE SLEEPING GIANT (Wheeling, West Va., Intelligencer, May 3) -- The REA, about which very little has been heard of late, is anything but the dead issue its quiescence would indicate. It simply has been marking time, forced into inactivity because of the restrictions of war demand for copper and steel.

Here is a part, and a very important part, of the general New Deal program to socialize the power industry. There never was a time, it seems to us, when the need for any such excursion into collective ownership was apparent. The private power industry has been able and willing to extend electric service where it is needed.

INDUSTRIALIST TELLS BIG BUSINESS LEADERS NTEA IS 'PERIL TO NATION' (Farmers Union Herald, May 4) — "A Peril to the entire Nation" is one industrialist's view of the attack upon cooperatives by the National Tax Equality Association. The industrialist is Victor Emanuel, chairman of the Board of Aviation Corporation....director of Republic Steel, and a member of the New York State Chamber of Commerce.

The attack, Emanuel asserted, is threatening to drive industry and agriculture hopelessly apart, and "if allowed to continue, most certainly will help to prevent a postwar America of the kind we all so much want."

SHOULD CO-OPS BE TAXED? (Manitoba Co-operator, May 15) -- ....It is fairly obvious to any thinking person that co-ops are being attacked because they have grown big, and are now coming into their rightful position of being a curb on monopoly and on the old laissez-faire methods of production and distribution.....

The problem seems to be to decide whether or not cooperatives are profit enterprises, or, in other words, to decide whether by taxing the "so-called dividends" of the cooperative the government is not actually double-taxing the individual who is a member of the co-op.

EASING OF UTILITY BUILDING CURB SEEN (Journal of Commerce, New York, May 11) — Relaxation of materials restrictions soon, which will make it possible for the utility industry to embark on an expanded construction program, is looked for by sources close to the industry.

The industry has plans for about \$600,000,000 in construction work this year, including farm electrification, but it is believed doubtful that more than half this total can be accomplished this year, granted that there is an early relaxation of controls. Rural electrification will involve an outlay of about \$130,000,000 this year, with the private utility companies accounting for about half of this.

C & S GROUP PLANS RURAL EXPANSION (Journal of Commerce, May 14) — Companies comprising the Commonwealth and Southern system have made plans for the further development of rural electric lines and will seek to obtain the necessary priorities for critical materials as soon as national security permits.

The need was stressed for such a program "in connection with the increasing importance of food production in this country." It was stated that all Commonwealth operating companies have, for more than 15 years, made substantial progress in servicing rural areas.

WICKARD CALLS REA SYMBOLIC OF HUMANITARIANISM OF F. D. R. (Post-Dispatch, May 19) — Secretary of Agriculture declares, "....the light of REA, like the broad humanitarianism of its primary sponsor, the late Franklin D. Roosevelt, never will be extinguished....it has done so much for the rural people of this nation to lighten their burdens and make their lives fuller and happier."

ATTITUDE (Eastern States Cooperator, May) -- The REA system is shrewdly cultivating a vigorous self-help cooperative attitude among its members. Acting Administrator William J. Neal writes personal letters of commendation to persons reported to have been particularly cooperative in spotting trouble along the lines or personally helpful in maintaining good service. This is helping to develop strong feeling of pride in cooperative achievement and surely will have wholesome results.

CUT IN RATES OF NEW YORK UTILITIES SHOWN (Herald Tribune, May 15) — In a report made by the chairman of the State Public Service Commission to the state legislature, it was cited, among other issues, that "the services rendered by the various utilities (including electric) are essential in the life and activities of nearly every individual in the state. The cost of these services constitutes an important element in the family budget, and the Commission has set itself the task of keeping these costs within bounds."

**SENATOR URGES FIVE-YEAR PLAN OF TAX SHAVING** (Chicago Tribune, May 15) -- ....Tax reduction was demanded by Senator Robert Taft during debate on rural electrification.....Taft warned the Senate that measures pending in congress, including the REA bill and others, would increase annual federal expenditures by \$3,315,500,000. He questioned the ability of the government to finance the proposals, because, he said, taxes must be cut to prevent private industry from being "choked". (Similar story in New York Times.)

**AN OPEN LETTER TO THE 32 PHILADELPHIA DEMOCRAT HOUSE MEMBERS** (Philadelphia Record, May 5) -- ...."Bill No. 716 is the most audacious steal attempted in many years by the electric power interests of this State....It would give control over all future farmers' co-operative power plants to the Public Utility Commission....You know who wants the bill passed---The lobbyists of the Philadelphia Electric and Pennsylvania Power & Light. You know why they want it passed---although farmers now cannot establish co-operatives in areas already served by power plants, the utility interests fear the effect of the low rates of the 13 Pennsylvania co-ops when compared with their own. And they are sure the PUC will stop any further expansion of the co-ops.

**KELLY ASSAILS CO-OPS AS STEP TO COMMUNISM** (Philadelphia Record, May 23) -- Speaking to an audience of state legislators, John B. Kelly, former city Democratic chairman, stood by his support of a bill in the last legislative session that would have doomed rural electric-power.....The bill proposed to place such co-ops under the jurisdiction of the Public Utility Commission. They are now exempt. The measure died in the House on the second reading calendar.

**NOT COMPETITIVE** (adverse editorial in Rockford, Ill., Star, May 11) -- The management of REA for the past several years has complained that the privately owned utilities were "skimming the cream", leaving REA the job of taking power to rural areas less solvent than the agricultural zones lying near the urban installations of privately owned utilities....But the original intent of REA was to serve the off-the-main-line rural communities.

But REA was tempted from a workmanlike job into competition with existing utilities, often with extravagant duplication of facilities. The farmer was hurt rather than helped by this rivalry, for the poor areas were not cultivated by REA as they should have been, and privately-owned utilities were given competitive conditions which made it impossible for them to expand their lines as they normally would.

**VT. ELECTRIC CO-OP SENDS LETTER TO STARKSBORO FARMERS IN EFFORT TO SETTLE DISPUTE OVER NEW LINES** (Burlington, Vt., Free Press, May 19) -- Petition given to central Vermont public service corporation asking them to build -- "We came at your invitation and will leave only when told to get out," cooperative writes to 36 in territory.

A general mix-up occurs as a result of indecision on the part of prospective users of electricity in central Vermont. First they vote to be served by an REA-financed cooperative and then revoke their vote by verbal expressions in favor of a private utility. Final decision awaits outcome of letter sent to all involved asking for recapitulation of opinion.

**POWER CHANGES FARMING METHODS** (Christian Science Monitor, May 3) -- Electricity, now being put to effective and profitable use on nearly three quarters of the farms in Oregon and Washington, is quietly bringing about a significant change in the traditional methods of farming by making major contributions to the comforts of rural life.

The Northwest's future is bright----with the brightness of electrical power....Faced with the end of the glut of war jobs, many of the thousands who have come to the West coast have placed their hopes in the land and are awaiting only the end of hostilities before laying their hand to the plow or to an electric milker.

**LIGHTS GO ON IN PALMER TOWNSHIP**, Marietta, Ohio, Tribune, May 19 -- Palmer residents have been battling for nine years to get electric service. Now they have it from two different sources, a co-op and private utility.

ITEMS OF INTEREST TO THE STAFF

REA AIDS OUTSIDERS, WICKARD ASSERTS, Post-Dispatch, May 19 -- In addition to 1,200,000 farm homes and other rural establishments that have received electric service through the operations of the REA, hundreds of thousands have obtained such service from private utilities where it would not have been given if REA had not shown the way, according to Claude R. Wickard, Secretary of Agriculture.

WORK ON REA PLAN IN WEST, News-Herald, Hutchinson, Kan., May 2 -- Farmers of Meade, Clark, and Seward counties are going in together in the formation of a project under the federal REA setup. LABOR BOARD HEARING SLATED FOR TEST CASE, Jackson, Tenn., Sun, May 15 -- Beginning steps in what may be a test case on the jurisdiction of the NLRB of electrical cooperatives and their employees were taken here.....between the Gibson County Electric Membership Corporation of Trenton and AFL Local Union 8-835.

THE DAY IN INDIANA, Indianapolis, Ind. Star, May 9 -- Morgan County Rural Electric Co-operative shows a pent-up demand for new construction. In addition to the 1,712 farmers and other rural consumers already on the system, 820 consumers are awaiting the time the co-operative can build an additional 250 miles of line.

ELECTRIFICATION SPECIALIST PAYS VISIT, Columbus, Ga., Enquirer, May 11 -- H. S. Glenn, rural electrification specialist from Athens, conferred with state chairman of rural electrification for the Georgia Home Demonstration Council. They plan work throughout the state.

RURAL ELECTRIC LINES WILL GET EXTENSION, Boise, Ida., Statesman, May 6 -- Construction of 44 miles of rural electric extensions to serve 72 farms has been approved in the Hatch-Chesterfield areas, according to the Utah Light & Power Company.

REA SIGN-UP WILL BEGIN WEDNESDAY, Ottumwa, Ia., Courier, May 8 -- Appanoose County farmers will have an opportunity to sign for service from the newly organized Chariton Valley Electric Co-operative which was incorporated April 24 at Albia.

HE KNOWS ABOUT CO-OPS, Farmers Union Herald, May 4 -- A farmer, for years denied power by a public utility, airs his views about REA alleviating such circumstances.

STATE OKS SIX APPLICATIONS, Raleigh, N. C., News and Observer, May 10 -- The North Carolina Rural Electrification Authority yesterday approved applications of six membership cooperatives for construction totalling \$1,453,000.

IN NEW MEXICO, Albuquerque, N. M., Journal, May 15 -- Announcement that the REA has given the go-ahead for construction work on power line projects will be good news to several rural electrification co-ops which have been organized and are in readiness to start work.

STONEWALL SEEKS 110 MILES OF RURAL ELECTRIFICATION; Abilene, Texas, Reporter-News, May 13 -- Stonewall county rural folk are seeking lines to serve between 200 and 300 patrons.

"PP&L KEEPS ON GIVING US MORE AND MORE FOR OUR MONEY", Prosser, Wash., Record-Bulletin, May -- Quarter-page advertisement by Pacific Power & Light Company telling about 35 years of electrical progress.

Buffalo Journal, Harper County, Okla., May 17 -- Director of the Northwestern Cooperative announced that construction work will go ahead throughout the county as soon as materials can be purchased.... However, it possibly will be a year before sufficient poles can be delivered for new lines over the county.

JUST HOW HAVE WE DONE IN AGRICULTURE? Columbia, S. C. State, May 6 -- ....In 1923 only 900 farms had electricity in South Carolina, and by 1936 this had grown to 5,623. Then REA entered the picture, and now 56,047 farms enjoy this greatest of all boons to farm life.

RURAL ELECTRIC PLAN SIMPLIFIED, Decatur, Ill., Herald, May 16 -- Agricultural applicants for electrification will now apply directly to the utility company. Approval by the WPB is no longer required, according to the state AAA chairman.

PUD BEGINS CONDEMNATION PROCEEDINGS, Prosser, Wash., Record-Bulletin, May 10 -- By a 2-1 decision the PUD commissioners of Benton County voted in support of a resolution providing for the condemnation of the P.P. & L. properties in Benton county.

The resolution provides for the issuance of revenue bonds up to \$850,000 for the purchase of the P.P. & L. system in this county, for the rehabilitation of the system for interconnections, for new construction, for expenses, and for working capital.

Since the last issue, the Press Digest has received ten clippings relative to administrator appointments for REA and twenty-seven clippings about separating the Agency from the Department of Agriculture.

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# REA PRESS DIGEST

A semi-monthly summary of press items pertinent to REA

Vol. III No. 22

June 30, 1945

SENATE CONFIRMS WICKARD FOR REA ADMINISTRATOR, Post-Dispatch, June 21, (AP) — The Senate today confirmed the nomination of Secretary of Agriculture Claude Wickard to a 10-year term as Rural Electrification Administrator. The vote was 56 to 6.

BILLION DOLLAR BUSINESS IN THE SOUTH, Article by William J. Neal in Electrical South, May 1945 — Electrical firms in the Southern states will have a billion dollar business right in their own back yard if proposed post-war plans of the REA cooperatives are carried out.

....For a year or two after the war, farmers will buy, with means now at their command, just about all the electrical goods which can be offered them. This is especially true of the 30,000 southern farms added to co-op power lines under special wartime regulations. They have had almost no opportunity to acquire electrical appliances.

....Even after the immediate post-war purchases have been made, appliance saturation on farms will be somewhat lower on many lines than in city homes. Rural homes and farms need many electrical goods which city homes do not—water pumps, fixtures for poultry lighting—and business use for other appliances. Radio, for example, because it brings weather reports. And refrigerators, which farm women use to store eggs and cream until they accumulate marketable quantities.....

VEPCO, REA CO-OP RACE TO COMPLETE POWER LINES IN CHESTERFIELD COUNTY, Richmond Times-Dispatch, May 27 — In a contest reminiscent of railroad competition in Union Pacific days, Virginia Electric and Power Company and the Southside Electric Co-op government subsidized organization in Crewe are competing for rural extension in the same area.

Racing to complete power lines, both companies have been hurriedly cutting timber, setting poles, and stringing wire side by side down River Road and Hickory Road west of Matoaca since about May 17. The entire extension for each company will total approximately 30 miles serving the rural area north of the Appomattox River.

MORE RURAL ELECTRICITY, Capper's Farmer, July 1945 — Private utilities and the Rural Electrification Administration plan a vast expansion of service within 3 years after the war ends or when materials and labor are released, making electricity available to 2,300,000 more rural customers.

The private companies expect to add about a million, including 600,000 farms and 400,000 rural non-farm homes, at a cost to the utilities of \$290,000,000 for lines. REA has announced its intention to extend service to 1,300,000 additional rural families, farm and non-farm, during the same 3 years. And it expects to lend about \$579,000,000 in getting the job done. But the agency has its sights set on a broader ambition—a 5-year program which will bring service to 3,655,000 additional rural families at a line-construction cost of about \$1,000,000,000.....

FIRST REA LINE MATERIAL REACHES OVERLY, Minot (N. D.) News and Optic Reporter, May 19 — An initial shipment of materials to be used for the construction of the first REA line in this area has arrived, and more is to be expected within a month.....

BUILDING OF 165 MILES OF POWER LINE TO START, Globe-Democrat, June 1 — The REA has allotted loans of \$1,710,000 to the Genevieve Electric Cooperative, Perryville, to finance the building of a rural electric system designed to serve 6800 consumers, the first construction to be started by this co-op. (Similar story with pictures appeared in Post-Dispatch, June 22.)

STATE REA OKEHS 36 APPLICATIONS, Raleigh, N. C., News and Observer, June 5 — When 36 applications were considered and approved in one day (June 4), calling for a total expenditure of \$7,722,440, a high mark was set for the North Carolina Rural Electrification Authority, both in point of the amount of money involved and the number of applications.

The applications included requests for funds for the erection of generators, transmission lines, wiring, plumbing appliances, rehabilitation of existing facilities, and the construction of office buildings. Two of the applications requested establishment of new electric-membership corporations, one of 510 miles of line and the other only 40 miles of line plus a generator station.

REA BEGINS SAFETY PLAN FOR ITS POWER LINEMEN, Atlanta, Ga., Constitution, May 27 — The REA in Georgia, in cooperation with the State Education Department, has inaugurated a safety training program for its linemen. Fifteen of the 42 REA-financed co-ops in Georgia are participating in the safety program.

LET'S HAVE TAX CUT NOW!, Editorial in Plainfield, N. J., Courier-News, May 25 — There are those in the administration who want to continue the spending and extravagance that marked all the years of the Roosevelt regime. Congress recently approved a \$200,000,000 appropriation for REA. This is only part of the REA program. The total, if carried out, would exceed \$3,000,000,000.....President Truman's stand that taxes can't be reduced until Japan is beaten is valid only if the administration begins cutting expenditures and continues doing so.

HOW'D THE UMP GET IN THE GAME? Double column ad by Wisconsin Public Service in Farmer's Friend, Green Bay, Wisc., June 15 — In baseball, the umpire sees to it that the game is played according to the rules. But he is not a player. In business, the government should be the umpire who enforces fair rules. But when government goes into business and competes with its own citizens, the American tradition of fair play is set aside. The umpire then becomes a player, and he enjoys advantages denied other players in the game.

For example, government and municipal power-plants are not required to pay federal taxes; often get money from the U. S. Treasury at little or no interest; make up losses out of the pockets of the taxpayers. Maybe you run a store or service station or beauty shop. Would you like to have a next-door competitor who has little or no rent, or taxes, or interest to pay, and who is kept in business partly by your tax money?

POWER PROJECT FOR ALUMINUM PLANT APPROVED, Tulsa, Okla., Tribune, May 28 — The Defense Plant Corporation has approved completion of a high-efficiency power plant at Jones Mill. Under the DPC plan, a 35,000 kilowatt turbo-generator and boiler will be moved from Lake Charles, La., and installed on foundations built at Jones Mill two years ago.

At present the aluminum plant draws some of its power from the Ark-La Electric Co-operative which built the power line from Grand River to the plant.....The operation of these turbo-generators after the war might enable wide distribution of cheap power in the southwest.

THE RURAL ELECTRIFICATION BILL, Editorial in Great Falls, Mont., Tribune, May 20 — Rural electrification is perhaps the most popular public development in the U. S. today.....Montana is increasingly interested as project after project is organized all over the state.....The only hindrance of importance today is the shortage of engineers to prepare the plans. Patience will wear out this difficulty.

RURAL ELECTRIFICATION HINGES UPON FARMERS' INITIATIVE, Ogden, Utah, Standard-Examiner, June 1 — Extension of electric service to farmers and other rural users in the U. S. following the war will depend largely upon local initiative.....

Because of this necessity for individual and local planning, there can be no centralized planning for rural electrification from the top down. The details of a national program for rural electrification must be based largely on the locally developed plans, U. S. Department of Agriculture engineers and economists conclude.

FARM ELECTRIFICATION GROWS, Christian Science Monitor, Boston, June 2 — With the lights going on again in many places over the world, Illinoisans are grateful for the fact that though the war did retard the expansion of electric service, there are 87,000 more farms provided with central station service today than there were 10 years ago. And there is more coming.

FROZEN FOOD INDUSTRY, Great Falls, Mont., Tribune, May 15 — Storing food in frozen lockers is cheaper because one can buy and store foods in large quantities. This appeals especially to farm families....Because the quick freeze method of preserving food requires electricity, it will ....greatly intensify the demand for rural electrification.....

COMMERCIAL POWER USE SURCHARGE TO END AUGUST 1, Nashville Tennessean, May 28 — A surcharge of 15 per cent on electrical bills paid by commercial and industrial users will be removed, the Nashville Electric Power Board voted today.

Removal of the surcharge was made contingent upon satisfactory accumulation of a reserve fund of \$2,500,000 to \$3,000,000 for a post-war program of rehabilitating the electric system, completing the rural electrification program....and other expansions.

#### ITEMS OF INTEREST TO THE STAFF

TO EXPAND ELECTRIC SERVICE, Grand Forks, N. D. Herald, May 17 — Expansion of power lines of the Nodak Rural Electric Co-op, to serve approximately 5,000 rural homes in northeastern North Dakota, has been authorized by the WPB and the REA.

MONTGOMERY, Ala., Advertiser, June 8 — A bill which would authorize REA cooperatives to engage in telephone business under a proposed Federal Rural Telephone Administration will go back to the Senate (state) without recommendation by the body's judiciary committee.

APPROVE REA LINE FOR CLARK COUNTY CUSTOMERS, Arkansas Gazette, June 3 — WPB has approved a rural electric line of 55 miles to run out of Amity and serve farm communities on northwestern Clark County with work starting this month.

URGED TO JOIN, Bismarck, N. D., Tribune, June 1 — The Slope Electric Cooperative project will be passed upon around June 15 and all present members will be serviced, should the project be approved, before new members are accepted.

REA ALLOTS \$430,000 to 3 STATE COOPERATIVES, Globe Democrat, June 3 — Construction of power lines to serve 1076 new consumers at Mount Vernon, Bolivar, and Eldorado Springs.

DROPPING THE BARS, Columbia, S. C., State, June 8 — Editorial referring to the WPB order easing its rigid limitations, citing REA's resuming line construction projects involving \$100,000,000.

EXPANSION WORK BEGINS, Hutchinson, Kan., News-Herald, May 16 — The Ark Valley Electric Cooperative will launch its construction program immediately. Rain has halted pole digging and line stringing.

DANBURY AREA FARMERS READY FOR POWER LINES, Wilmington, N. C., Star, June 11 — Farmers are so anxious to get the power to their farms that they have been cutting right-of-ways and digging holes for the poles when other labor could not be obtained.

REA OFFICIALS TO ASK EXTENSION OF LOCAL LINES, Owensboro, Ky., Messenger, June 3 — A survey was made of one community in Daviess county which included 27 homes. Of this number 25 families desire electric current immediately. An endeavor will be made to extend the lines if possible.

THE DAY IN INDIANA, Indianapolis Star, May 26 — In speaking of returning GI's, E. J. Fricke of the Indiana Farm Bureau, wants to make farming and farm life more attractive for them. In connection with this he says, "With electricity generally available, it will be possible to make farms highly efficient and attractive as places to live. More profitable land combined with beauty will make Hoosiers prouder of being farmers."

TEXAS ALLOTMENT FOR IMMEDIATE CONSTRUCTION OF RURAL POWER LINES TOTALS \$9,750,000, Article in Texas Contractor, June issue — A resume of what Texas expects on the post-war rural electrification front, together with an announcement that REA recommends borrowers use competitive contract procedure in major power line construction.

RURAL ELECTRIC SERVICE MAKES NEW MARKETS, Houston, Tex., Chronicle, May 17 — Editorial telling that Texas farms that have been supplied with electricity have not only gained in comfort and convenience—they also constitute a new market for radios, refrigerators, electric water pumps, washing machines, and many other items using electric power. The 157,000 new rural consumers estimated for the post-war years will want electric appliances, too.

RURAL ECONOMY, Birmingham Age-Herald, May 14 — Editorial summing up what rural electrification has done for Virginia by diversifying farming operations, assuring an income all year instead of having to depend upon one or two cash crops a year. Concluding paragraph says same benefits have come to Alabama.

REA UNITS OVER SOUTH CAROLINA TO BE EXPANDED, Greenville, S. C., News, June 9 — State officials of the Rural Electrification Administration and representatives of the 22 co-ops in the state yesterday began a 2-day conference on plans for post-war expansion. The Blue Ridge Cooperative is host to the conference at Greenville.

RURAL ELECTRIFICATION TEST PLOTS SELECTED, Manitoba Cooperator, June 1 — Six experimental test plots for rural electrification in Manitoba have been selected, and if materials can be obtained, construction work will get under way this year. Field men have selected districts where the distances between each farm home does not average more than three quarters of a mile.

BETTER HOMES FOR FARMERS, New York Herald Tribune, June 6 — A long delayed improvement is likely to take place, as soon as mechanical production returns to civilian uses, in the way of life of millions of Americans.

In a great many cases the home in which the farmer and his family dwell is old, inconvenient and without modern comforts. There is likely to be no bathroom, no plumbing and a complete lack of labor-saving devices which city dwellers take for granted. Improvement and introduction of electricity.....means the farmer's wife may look forward hopefully to an easing of her burdens. This has been overdue.

RURAL ELECTRIFICATION HERE, Reprint from Denison, Tex., Herald, Apr. 23, in the Texas State Newsletter for May — Rural electrification is a development needed in the Red River Valley. Only a comparatively small percentage of the farm homes in this area have even electric lights, and most farmers still must discover the advantages of electrical refrigeration and even cooling.

Since the last issue, the Digest has received 75 clippings pertaining to the shift in Cabinet positions (involving USDA and REA comment) and 65 concerning the appointment of Claude Wickard as REA administrator.



## REA PRESS DIGEST

PAULINE M. WHITLOCK  
DIST-21933 A semi-monthly summary of press items pertinent to REA  
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Vol. IV, No. 1

July 15, 1945

WICKARD SWEARS IN; PLEDGES EXTENSION OF REA SERVICE, Star-Times, July 2 — Former Secretary of Agriculture Wickard was sworn in today as rural electrification administrator, pledging himself to make electric power available to 6,000,000 rural homes, "one of the nation's truly great unfinished jobs."

Wickard was sworn in at 10:30 a. m. in the REA executive offices on the 11th floor of the Boatmen's Bank Building here. The oath was administered by John W. Asher, Jr., chief of REA's personnel division.

Wickard said the bringing of electricity to rural homes now unserved "is a job that must be finished as practically and expeditiously as possible. It is a job the steady accomplishment of which will bring immeasurably increased happiness and efficiency to farm people and at the same time add greatly to the economic and social stability of our entire nation. It will strengthen democracy. (Similar stories in Post-Dispatch and Globe; U.P. dispatch in many other papers.)

ELECTRIFIED FARM HOMES, (Editorial) Dayton (Ohio) News, June 23 — Comforts undreamed of a few years back have been made possible for American families by the program of the Rural Electrification Administration.

Picture a modern American farm home, such as the years ahead will witness. The breakfast table illustrates the wonders of electrical appliances....The fruit on the table, fresh as when picked, from the freezer locker....Frozen meats and vegetables are likewise available the year round.

The drudgery of housework has been lightened by electric servants....The radio, and soon television, brings the world to the farm. A pipe dream? Well, it is already coming true.

MORE FARM ELECTRICITY, (Editorial) Dallas (Tex.) Morning News, June 20 — Many of those soldiers and sailors who have been learning electrical engineering at Uncle Sam's expense can find work after the war in the vast extension of rural electrification now being planned.

....The prediction that within three years after the war electric service will be available to 2,300,000 new customers in farm areas means that 80 to 85 percent of America's farms will have electricity instead of the present 52 percent....Nor does the new business and employment end with the mere extension of power lines. The farmer who gets current....will get new equipment.....

PLANTER, PRAISED BY UTILITY, HEADS ELECTRIC CO-OP, Post-Dispatch, June 30 — William S. Morgan, Sr., of near Greenwood, Mississippi, tried for 15 years to get private utilities to build a line to his plantation. Finally he gave up and organized and is president of the REA-financed Delta Electric Power Association, whose manager, L. C. Spence, Jr., was amazed to find that a utility company had used Morgan and his farm as the subject matter for an advertisement in the Southern Agriculturist, pointing out that electricity had a lot to do with such successful farming—"electricity supplied by enterprising, business-managed electric companies."

POWER LINE RIGHT GIVEN, Oregonian, Portland, Ore., June 20 — County commissioners late Monday granted a franchise to the Columbia county REA to construct a power line from the Bonneville substation through College Place and southward to the state line.

Vigorous opposition was voiced by the Pacific Power & Light Company, which contended that the REA line would unnecessarily duplicate facilities already existing, and by the Pacific Telephone & Telegraph Company, which objected to constructing one section of the line close to the telephone company wires.

REA FRANCHISE IS APPROVED, Union-Bulletin, Walla Walla, Wash., June 19 — (similar to the above, but in greater detail, especially as concerns the arguments in the case.).....Much of the discussion at the hearing centered around the possibility that the construction of an additional high-power line along the roads would create an exceptional hazard either for the public or for other utility concerns already using the road. The commissioners commented, however, that if one utility could not overbuild another the effect would be that of an exclusive franchise for the first on the scene.....

PROGRESSIVE AMERICAN SCHEMES IMPRESS NEW PREMIER ON TOUR, Brisbane (Australia) Telegraph, June 20 — "Australians do not know what they are missing," declared Premier McKell after a tour of leading cities and agricultural districts of the United States and Brazil on a postwar development mission... The chief lessons of his trip were in the sphere of soil and water conservation and rural electrification...."We must make life in the country worthwhile. Rural electrification is the key. Every farm and every home in the country is entitled to equal facilities as the city in that respect. If America can do it, Australia can, too."

REA PROGRAM, (Editorial) Rutland (Vt.) Herald, June 23 — Important news for farmers and rural residents is the Senate's confirmation of the appointment of Claude Wickard as Rural Electrification Administrator. During his 10-year term this agency may face its greatest task. As of June, 1944, only 42.2 percent of the nation's farms were electrified, or had electrical service available to them.....The rural electrification market has been carefully surveyed in Vermont by the Public Service Commission. The survey, which was begun in 1942, revealed that 14,970 Vermont farms, or 68.8 percent of the 21,772 farm total, have been electrified. In addition 1370 or 6.3 percent are located within a quarter mile of existing lines. The commission forecasts that when manpower and material restrictions are lifted "there should be prompt electrification of an additional 4000 farms in the state." This will mean that 93 percent of Vermont's farms will be electrified either by private utilities or co-operatives—an achievement of the highest importance to the state's agricultural development and economic welfare.

CHEAP POWER CHIEF RESULT OF PROGRAM, Greenville (S. C.) News, June 10 — Expansion of 22 rural electric co-operatives in South Carolina at a cost of \$15,500,000 was planned at a 2-day meeting of managers of state REA co-ops which ended yesterday.

Plans call for the spending of \$2,200,000 for the construction of transmission lines from Santee-Cooper to co-ops over the state and the spending of another \$13,350,000 by the cooperatives to add 13,350 miles of lines to their systems in the state.

Action was taken on construction of the transmission lines because of the high rates now being charged by present sources of supply....the approximately 50 percent saving to consumers would be passed on to them as soon as bonds floated for the extension are amortized.

MR. DANIELS AND THE SEAWAY, Watertown (N. Y.) Times, June 6 — Assemblyman Grant F. Daniels, a leader for the St. Lawrence power development, points out that "farmers of this section of the country are at a decided disadvantage as compared with rural residents of the Tennessee Valley, for example, because high power rates prevent extensive rural electrification. The seaway and the power development would remedy this.

"Privately owned utility companies oppose the seaway, yet the experience of such companies operating in the Tennessee Valley has shown that lower power rates make for greater purchases of electrical utensils and a much greater use of power."

FIRST POLE GOES UP FOR REA CO-OP, Post-Dispatch, June 21 — (Two pictures, double column.) Line construction starts on Missouri's newest co-op, the Genevieve Electric Cooperative, Inc., Ste. Genevieve, which has been allotted \$1,710,000 for lines serving 6800 rural consumers in 4 southeast Missouri counties. The ceremonies, attended by persons who will be among those served, took place near Perryville.

RURAL ELECTRIFICATION BODY RESTORED BY STATE, Chicago Tribune, June 26 — Restoration of the State Division of Rural Electrification, effective July 1, was announced today by the State Agriculture Department. The Division was discontinued two years ago because of wartime restrictions on construction materials.

MISSOURIANS FIND BIRMINGHAM ELECTRIC RATES HIGHER THAN CHATTANOOGA'S DESPITE CUT, Post-Dispatch, June 22 — Among the comments heard by the Missouri State MVA Commission in its study of TVA as a measure of the desirability of a MVA were: Improper invasion of government into the sphere of private business, and, while favoring an over-all Missouri Valley Authority for soil conservation and flood control, according to an ice plant manager for a small electric utility, opposition to power facilities because it was believed REA was providing current as cheaply as an MVA could and that Missouri had enough power already.

OUT OF YOUR POCKET, (Editorial) Salem (Ore.) Journal, June 13 — Scarcely four months after a similar proposal was rejected by the voters, the Salem Electric Cooperative are back asking the people of Salem to underwrite a special low-cost electric rate for certain downtown business establishments by approving a special franchise which will permit the co-op to dispense electric power in a segregated area of 30 blocks in the business district.

If they succeed in thus subsidizing a power service for a group of hand-picked business clients, it will be up to the rest of the city, principally the domestic users of electricity, to make up the deficit which will accrue to the private utility serving the rest of the city. These 30 blocks, comprising the heart of its system where facilities are compact and customers can be served cheapest, represent the cream of the private company's business. It is the larger margin of profit there which enables the company to serve its residential patrons at nominal rates.

SENDS SAMPLES OF NAZI ELECTRICAL EQUIPMENT, Article in Mankato (Minn.) Free Press, June 13 — An owner of an electric shop before going to war sends a box containing switches, fustats and wire of the type used in Germany to the owner of another electric shop both of whom have supplied parts and worked closely with REA lines. The soldier's observations make interesting reading.

"I had trouble in finding a short which turned out to be a cross up in a hot connected 3-way switch circuit. Being so used to the REA way, which banned that switch hook-up, I couldn't recognize it for awhile." He commented on the way REA had standardized equipment, "that it was the same in every state, and had improved it considerably."

#### ITEMS OF INTEREST TO THE STAFF

RURAL ELECTRIC GROUP TO MEET, Grand Forks (N. D.) Herald, June 16 — Progress of rural electrification in the Red River valley and prospects for postwar development will provide the main topics of speakers at the fifth annual meeting of the Nodak Rural Electric Co-operative here, June 18.

ELECTRICITY IN RURAL HOMES UNDER STUDY, Register-Guard, Eugene, Ore. — Mrs. Myrtle Carter, county home demonstration agent, spent several days last week in the coast section on research work inaugurated by the Oregon State College throughout the state, covering a study of the use of electricity in rural homes.

PROGRESS OF REA IN NORTH IDAHO GIVEN BY PRESIDENT HOLIEN, Northern Idaho News, Sandpoint, May 3 — Reviewing its progress, the Northern Idaho Rural Electrical Rehabilitation Association, Inc., reported last week that its program in this area compares well with the rate of progress in other sections of the country. In its anniversary statement, A. A. Holien, president of the NIRERA, said that the "REA program is paying its own way because farmers are making their electrical equipment earn profits for them."

A GOOD PROGRAM, (Editorial) Texarkana (Ark.) Gazette, June 12 — Senator J. W. Fulbright points out that successful development of new industries to insure full employment of returning veterans and bettering general conditions in Arkansas involves some important, including availability of low-cost electric power and expansion of rural electrification.

REA PETITIONS GIVEN APPROVAL, News and Observer, Raleigh, N. C., June 13 — Applications for REA loans totaling \$645,000 for five North Carolina cooperatives have been approved by the National Rural Electrification Administration. It was pointed out that project construction cannot begin until sufficient labor can be obtained.

SEEK ALLOTMENT FOR REA LINE EXTENSION, Emporia (Kans.) Gazette, June 13 — A formal resolution seeking an allotment to build 140 more miles of REA line was adopted Tuesday (June 12) at a special meeting of the board of directors.....As soon as more construction funds are available, the REA directors will apply for another allotment to build approximately 100 more miles of line.

ELECTRIFICATION CONTRACTS PLANNED, Hutchinson (Kans.) News-Herald, June 9 — Contracts which will extend rural electrification facilities to approximately 800 additional farms in the 6-county area served by the Ark Valley Electric Cooperative are expected to be let in a few days.

REA CO-OPS TO START ANEW, News, Detroit, Mich., June 17 — ....Large government loans are being authorized to finance the line extensions and expansions of generating facilities of Michigan's rural electrification program.

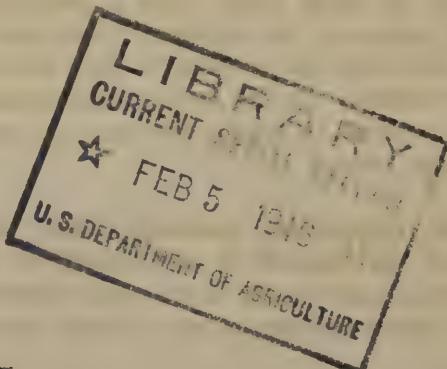
One of the largest loans approved to date was for \$340,000 to the Presque Isle Electric Cooperative to construct additional generating facilities. The co-operative plans to install hydroelectric generating facilities. Loans for line extensions have either been approved or are in the process of being authorized for all 14 co-operatives in Michigan.

REA HEADQUARTERS TO BE OPERATED JOINTLY, Ashland (Ky.) Independent, June 12 — The Licking Valley and Big Sandy Electric Cooperatives will be operated jointly for a period of one year beginning June 10 under an agreement reached recently by the boards of directors upon recommendation of the REA Administrator. Both co-ops will continue their separate identities, the merger being for economy reasons only.

THE UTILITY STOCKS, Washington Post, June 18 — In commenting on the status of private utilities from the investment angle, Roger W. Babson points out that "the fear of public ownership puts a ceiling on the price at which public utility stocks should sell." His further comments include: "Utility securities are fairly priced and are growing every day. They may have some post-war slump....The dividends of operating utilities usually hold up well during business depressions.... If the electric light and power business had reached its maximum (of growth), I should fear inflation.... Public utility experts say that natural growth will largely offset the handicap of inflation."

TEXAS ALLOTMENT FOR IMMEDIATE CONSTRUCTION OF RURAL POWER LINES TOTALS \$9,750,000, Texas Contractor, June — ...This total represents the difference between approved loan allotments and amounts actually advanced to the borrowers by REA. The figure includes loans allotted for transmission equipment and for relending to individuals to finance wiring of their premises and plumbing installations ... however, only distribution line construction is eligible under the new WPB order. Funds will be advanced to borrowers as rapidly as needed to pay for materials and construction costs.

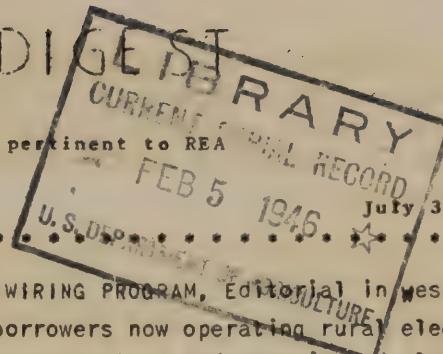
Since the last issue, the Press Digest has received 6 clippings involving the MVA-TVA question, 25 additional clippings of local stories about resumption of rural power line construction, and 30 pertaining to the confirmation of Claude R. Wickard as administrator of REA.



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## REA PRESS DIGEST

A semi-monthly summary of press items pertinent to REA



Vol. IV, No. 2

ELECTRICAL CONTRACTORS URGED TO MOBILIZE FOR BIGGEST RURAL WIRING PROGRAM, Editorial in western Builder, July 12 — Through its more than 800 cooperative borrowers now operating rural electric systems in 46 states, the REA is urging reliable electrical contractors and experienced electricians to mobilize for the biggest rural homestead and farm wiring job in the country's history.

....Most of the REA cooperatives are urging contractors to train men now for the jobs that will be available in the areas they serve....Some cooperatives have gone so far as to announce that if contractors do not display the initiative necessary to develop and serve this farm trade they will seek to establish new wiremen through a training program of their own....

CO-OPS MAKE SECOND PAY OFF TO CONSUMERS, Cooperative League News Service, July 19 — Columbus, Ohio (CLNS) — While more than a hundred private profit power companies tell consumers over a Sunday radio program that utility rates are low enough, the co-ops have taken practical steps to cut rates to where they belong.

The Ohio-Midland Power Company, acquired recently after a long battle with local and eastern utility interests, has paid off again. The first pay-off came soon after acquisition of the company by three co-ops when they cut the connection charge from \$300 to \$5, membership fee. The second pay-off was not long coming, for new electric rates will go into effect August 1, an estimated saving of \$26,000 a year to consumers.

The Ohio-Midland property was the subject of a long legal battle recently when its former holding company owners, the Associated Gas and Electric Company of New York, sought to overlook bids of the three co-ops and sell to private utility interests bidding lower amounts.

DEFICIENCY APPROPRIATION INCLUDES \$120,000,000 REA LOAN FUNDS, Article in NRECA Bulletin, July 1945 — Rural electrification loan funds will be increased by \$120,000,000 as a result of the House adoption of the amendment offered by Congressman Jed Johnson (Oklahoma) to the Second Deficiency Appropriation Bill.

REA had requested \$230,000,000; Bureau of the Budget cut the amount to \$160,000,000; Subcommittee on Deficiencies reduced it to \$120,000,000 and the full Committee made a further slash to \$50,000,000. The House adopted the Johnson amendment June 27 and the Senate passed the bill June 30.

Added to the \$80,000,000 already appropriated for the next fiscal year, this makes REA loan funds total \$200,000,000.

Comments accompanying the vote on the bill included such Congressional remarks as: "It is a loan and not an expenditure. This is one of the very few appropriations made wherein every dollar is repaid with interest" (Rankin, Miss.,); "The money is needed. It will not come out of the tax-payers' pocket" (Mahon, Texas); "The most helpful thing the Congress has ever done for the farmers of this nation is to give them the blessings of rural electrification" (Pace, Ga.,); "...most REA loans have been paid, in many cases ahead of due date. This is a remarkable record and the program should be encouraged" (Stefan, Neb.,); "Rural electrification not only energizes the power lines to America's farms but it helps to energize the productive processes of our whole economic life" (Murdock, Ariz.,); "...there is only one thing wrong with this appropriation bill. There is not enough in it for rural electrification (Miller, Neb.,); and "...unless we are willing to give the Administrator of REA reasonable funds with which to do the job, I hope we will hear no more complaint that REA is not doing the job" (Poage, Texas).

PAULINE M. WHITLOCK  
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RURAL ELECTRIFICATION TO BE BRIGHT SPOT IN ECONOMIC GROWTH IN HOUSTON TRADE AREA, (R.E. Connor) Chronicle, Houston, Texas July 1 — Brightest spot among the several bright spots in the future economic development of Houston's trade territory and Southeast Texas is rural electrification, in the opinion of officials of old-line power companies and government-sponsored rural electrification cooperatives.....

The REA people say they have done what amounts to "putting a coal of fire" into the pockets of many of the old-line companies and that old-line concerns are bestirring themselves as never before. Some power company officials eye suspiciously the REA co-ops as representing a sort of socialistic trend.

REA managers recall that rural mail routes when first proposed were called socialistic and yet are accepted now by everyone as necessary to the American way of life. "After all," as one official expressed it, "the co-ops are the farmers banded together to provide for themselves low cost electricity."

TOUGH YEARS, WAR DELAYED DEVELOPMENT, Sioux Falls (S. D.) Argus-Leader, June 25 — So much has been written....about rural electrification recently that it appears to be a postwar development....But the advantages of it have become increasingly apparent through the years, however depression and drought years have curtailed development in the middle west, and, later, shortage of manpower and materials curtailed it during the war.

Private enterprise has seen the possibilities....The Northern States Power Company was one of the first to realize possibilities and benefits to the farmer in the use of electric current....The Company indirectly furnishes electricity for hundreds of other companies by supplying REA projects with their current. Northwestern Public Service has negotiations pending with four or five cooperatives to supply wholesale power. The company has capacity available and is anxious and willing to cooperate with REA wherever its services are requested.

POULTRYMAN MAKES MACHINES DO THE WORK, Reprint from Farm and Ranch (July) in the Dublin (Texas) Progress, July 13 — All farmers cannot become big operators, but with the help of electricity C. A. Ward is headed in that direction....Ward decided the sandy prairies and stony hills of cross-timber country were better suited to poultry than many other crops....He became known as an outstanding poultryman....Shortly before the war he had about reached his productive limits.

With the war came the cry for increased food production, and he sought to answer the demand. Fortunately, in his ambition to cooperate in the all-out production effort, and fortunately for the success of the effort itself, the farm was connected to the REA lines that year. With the help of G. A. Tunnell, REA manager, the Wards outlined a program for saving labor through the use of this new power. Through saving labor they are able to produce more for the war effort.

Factors made possible by electricity and which stepped up production included: a water pump and thousands of feet of pipe; automatic water fountains; water heater; electric fans for brooder houses (to distribute heat and eliminate foul air pockets); battery brooder rooms; and electric lights. The aid of these labor-saving devices for the work made possible a chicken-turkey raising program that eventually climbed to a production peak of 10,000 turkeys, 20,000 broilers, and 2,500 laying hens.

A son going into the armed forces slowed production down some, but even this was offset in time by the installation of more time-and labor-saving devices made possible by electricity. So, through the use of power which an REA line brought them, the Wards have been able to produce more for the war effort and at the same time, through a stepped-up income, have saved enough for a new home.

POWER IS A FARM TOOL, Post-Dispatch, July 20 — While a few years back electricity was looked upon as a novelty by most people living in the smaller communities, the farmer realizes today that he has more use for electricity than those living in the towns, Arthur W. Gerth, chief of the REA application and loans division in St. Louis, told the Rolla Chamber of Commerce in an address yesterday. Farming is now a business, Gerth pointed out, and the farmer has to have electricity in order to compete with products from other areas.

Electricity is a tool, eliminating much of the drudgery from farming as well as adding to rural health and helping rural people attain a higher standard of living than they have ever known before... Gerth stated he was looking forward to the day when farmers might be heating their homes with electricity at a low-cost rate as is now being done in the TVA region.

CITY POWER RATES SUBSIDIZE FARMS, News, San Francisco, July 5 -- Electric rates in San Francisco and other California cities are higher than company investment there warrants and are so maintained to give farmers the benefit of moderate rates, Rep. Havener (D.) has told the House of Representatives. If California farmers enter a rate war against the cities, the latter are apt to secure lower rates as a result, Havener said.

He spoke in answer to charges made by Rep. Elliott (D.) who last week, denouncing power developments in the Central Valley Project, charged that farmers in his district had long been denied cheap electricity.

Mr. Havener replied by reading an opinion of the California State Supreme Court of some years ago which pointed out that the commission has operated on the theory of requiring city consumers of an electric utility to pay a greater proportion of the amount required to yield a company a fair return on its over-all investment than do rural consumers.

PLENTY OF WATER! Country Gentleman, June 1945 -- When the wind blows, there's plenty of water in a windmill country. But an occasional week of calm brings trouble to livestock owners. That is what led farmers in Northeastern Indiana to agitate for electric power.

In 1938 electricity moved in by way of REA-financed lines. A series of educational meetings were held to determine the best ways to put it to use. "Let's do everything the right way. It is cheapest in the end," C. L. Puffer, local REA head counselled.

One topic discussed was water. "Remember, estimating how much water you need is the first step," reminded Puffer.... "If you have to tote all the water in a bucket, you will be mighty economical with it. If you can get it at a convenient spigot, the quantity goes up enormously." Preparation for this increased consumption should be considered when a water system is installed, and the supply checked to see if it is adequate.

Design and construction of a water system and the selection of a pump are an engineering job. Depth of water, size of motor, and kind of pump are all factors entering in. A sewage system requires additional installation planning. All these facts of the "plenty of water" problem are discussed and explained, together with forecasts of future possibilities, in this article by A. E. Holden and Philip S. Rose.

REA URGES COMPETITIVE BIDDING ON LABOR AND MATERIAL CONTRACTS, Article in most construction publications, July 1945 -- William J. Neal, Acting REA Administrator, in a communication addressed to REA borrowers, says "Our experience indicates that in a big construction program most cooperatives will build extensions more rapidly and more economically by letting the construction to contract."

While "labor only" contracts have been sanctioned by REA during the past two years because of the abnormal materials situation which prevailed, he points out that this type of contract is less competitive, and as a rule more expensive than full "labor and material" contracts which REA borrowers have used in normal times. For this reason REA recommends that REA-financed systems return to the complete labor-and-material contract form as rapidly as possible.

MORE POWER TO FARMER IN POSTWAR REVOLUTION, New Haven (Conn.) Register, June 24 -- More power to the farmer—power he can utilize to do the work quicker and better than ever—is the chief factor in the modernization of the American farm.... Immediately after the war the Rural Electrification Administration plans to establish 100 new cooperatives, build 6,000 miles of transmission lines and 170,000 miles of distribution lines, furnishing power to perform more than 300 useful tasks for the farmer—from lighting his buildings to the killing of bacteria in hen house and water supply by ultra violet ray.

Harnessing power, instead of the horse, will drastically conserve manhours and improve production quality.... Thousands of servicemen who plan on careers in agriculture are thoroughly familiar with mechanized warfare, and that's the way they'll want their farms—mechanized. Electric eyes, electric brains,...will help tomorrow's farmer achieve the highest degree of efficiency in agriculture the world has ever known.

CO-OPS FAVOR JAMES RIVER WATER POWER, Carolina Progress, July 7 — Representatives of the Virginia REA Association and of the fifteen locally-owned and operated REA cooperative electric systems in Virginia favored development of water-power in the James River Basin at the public hearing held at Covington by the U. S. Engineers Investigating flood control and water-power projects in this area.....

Pointing out that most of the unelectrified areas in Virginia are situated within the transmission radius of the proposed developments, the importance of these sources of power supply in bringing complete rural electrification to Virginia was emphasized.....

"Ample supplies of power economically produced and delivered at cost, will very materially assist the cooperatives in achieving their objective of complete rural electrification in Virginia," stated W. H. Brown, manager of Virginia Electric Cooperative and spokesman for the REA group. He further pointed out that the Cooperatives would bring service to rural people at rates which they can afford to pay.

#### ITEMS OF INTEREST TO THE STAFF

APPLIANCE SALES DIRECT ON WAY OUT, New York Times, June 24 — Growing utility trend is noted to drop practice to sell through retailers....Retailers have long maintained that the utilities should have a separate accounting system for their appliance merchandising activities, "which should stand on their own feet and not be charged into their rate structures."

The development of appliance sales through the Rural Electrification Administration, under which the costs of appliances are added to the customer's bill, is pointed out as another phase of appliance merchandising frowned on in some retail quarters.

LEANING TOWARD PATERNALISM, Macon (Georgia) Telegraph, June 28 — (Editorial)...The Georgia Power Company was pushing a program of cheap and abundant power before REA was born, and Georgia farmers would have received substantial benefits along this line if REA had never been born....The sooner we realize this, and get away from federal paternalism, the better it will be for all concerned.

RURAL ELECTRIFICATION PROGRESS, Atlanta (Georgia) Constitution, June 26 — (Editorial). It has been announced by the Georgia Power Company that 500 miles of new electric lines will be built by the company to serve 2,500 farms....Additional lines are planned as soon as the war economy permits construction.

RURAL ELECTRIFICATION ADVANTAGES, Sioux Falls (S.D.) Argus-Leader, June 25 — (Editorial) When a farm has electricity, it can have almost any convenience, and its presence definitely eliminates many chores on the farm. It pumps water, milks cows, provides heat for brooders thus eliminating fire hazards, runs electric drills, emery wheels, and air compressors, is indispensable in the kitchen, washes and irons clothes, provides sanitation by vacuum sweepers, refrigeration and sewage systems, gives light both inside and outside of the home, etc. making farm life more attractive than heretofore.

NEW EQUIPMENT TO ELIMINATE DRUDGERY IN RURAL KANSAS, Topeka (Kans.) Capital, June 24 — ....Kansas Power and Light Company and the Kaw Valley Electric Company have planned programs of expansion in Topeka and other Kansas rural areas....Public utility and co-operatives have worked out definite territories of service..."One of the biggest problems to overcome in postwar rural electrical expansion is educating farmers to use electricity to eliminate the drudgery of their work," explains H. S. Hinrichs, Kansas Power & Light Company official. "We don't have to sell people electricity now, we just have to teach them how to fully use it."

REA ALLOCATES \$220,000 FOR SHERIDAN-JOHNSON LINE, Sheridan (Wyo.) Press, June 26 — Wyoming now has 11 completed REA projects and three more in the starting stage.

REA LOANS REVEALED, Portland (Ore.) Oregonian, June 22 — Two cooperatives receive loans for expanding rural service.

\$480,000 REA LOAN FOR CUSTER, Lincoln (Neb.) State Journal, June 26 — Construction of 200 miles of new line plus the purchase of 143 miles of existing lines will constitute a new co-operative in Nebraska.

MORE REA FUNDS LOANED IOWA CO-OPS, Des Moines (Ia.) Register, June 27 — Allotments totalling \$350,000 go to three Iowa counties for further extension of electric service.

CEDAR-KNOX POWER DISTRICT GRANTED \$50,000 REA LOAN, Lincoln (Neb.) State Journal, June 25 — An REA loan of \$50,000 for extension of existing transmission lines has been granted.

RURAL ELECTRIC LINES TO BE SET UP IN LEE, Greensboro (N.C.) News, June 28 — Rights-of-way from property owners are being secured prior to further construction by the Central Electric Membership Corporation.

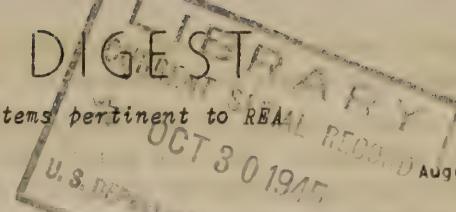
WALWORTH-CAMPBELL GROUP WILL PUSH REA, Sioux Falls (S.D.) Argus-Leader, June 25 — At a meeting held this week a board of nine directors was formed as the first step in forming an organization to secure rural electrification for this area.

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# REA PRESS DIGEST

A semi-monthly summary of press items pertinent to REA

VOL. IV, No. 3



AUGUST 15, 1945

RE: THE NEW FARM AGE, New York Times, July 29 -- The agriculture of the future—barring economic crises....—will be more efficient and productive and pleasant than any we have known before.

Electric power—now available on less than one-half of the nation's farms and nowhere near fully utilized on those—will spearhead this advance in the rural areas.... Electricity on the farm is giving farm people a chance to enjoy a standard of living more nearly equivalent to that of families in towns and cities and making farming more flexible and efficient.

....The pure joy of people out in the deep country, when the lights go on for the first time, is beyond description. Appliances that millions of city housewives think of as necessities are even more necessary on the farm. The electric washing machine....the radio.....

Electric refrigerators, especially those with deep freeze units, enable farmers to preserve their own products better. Freezer locker plants, supplying refrigeration on a larger scale, are making it possible for farmers to store large quantities of meat and other perishables for community use, paving the way for sweeping improvements in the marketing of these products.....

With electricity, the family-sized farm will have an increased chance to hold its own in a mechanized world....And the change will not be confined to the farms. Small crossroads, stores, schools and churches, will be given new life by electricity.....

More than that, rural electrification will bring the power for small town and village industries....We probably are going to see a great rise in part-time farming in conjunction with decentralized rural industries run by electric power.

GROUP ACTION BRINGS POWER LINE TO FARMERS, (Digest of article) Montana Farmers Union News, June 27 -- In 1929, fifteen Montana farmers living in one section of Madison County asked the Montana Power Company to extend the power line five miles to serve them. It refused and a delegation to the Butte effected nothing. The \$1,000-a-mile cost prohibited construction.

In 1938, many of these farmers signed up for REA service and paid the \$5 membership fee. Applications and maps filed at that time with REA contained insufficient information, resulting in delays, and when all this was ironed out Pearl Harbor came so that not until November 1944 were WPB restrictions sufficiently relaxed for REA to build this line.

At this point, the Montana Power Company called a group of farmers together and promised them service within a short time. This was impossible because certain government regulations required approval....The power company put the pressure on those who were not completely sold on REA to change over....So in the 37½ miles of proposed REA line, 50% of the farmers signed on both REA and Montana Power applications.

Those working to establish an REA co-operative again visited these people and again signed them over to the REA. Power company representatives got busy and again signed them over to their side. Then the power company made a more decided move. To the next town west it has a private telephone line built on its high tension transmission lines. It cut the telephone line near the transformer, used a piece of wire to energize the telephone line and presto! they had an established line, side-stepping WPB regulations.... short extension in several different parts of the valley attempted to so cut through proposed REA territory that it would be impossible for REA to build any line at all.

RURAL POWER EXPANSION IS PLANNED, Arkansas Democrat, Little Rock, July 18 -- Rural expansion planned by the Arkansas Power and Light Company will cover 2,500 miles in 62 counties served by the firm, and construction costs will reach \$2,000,000 it was revealed yesterday by company officials during a hearing before the Public Service Commission.....

Continuing to seek the commission's approval of the expansion program, the company yesterday filed application for permission to serve the Dyess Rural Rehabilitation Corporation in Mississippi County. The Washington Farm Security Administration has received a bid of \$13,510 from the company for the electric properties of the Dyess Colony. The Mississippi County Electric Cooperative, Inc., also has submitted a bid and has requested permission to serve the area if its bid is accepted by the Washington office.

CAUSE FOR ALARM, Editorial in Waterbury (Conn.) Democrat, July 12 -- ....The time is rapidly approaching when Congress must consider economy and ease up on appropriations. REA is part of the great tax-exempt Federal power system that uses countless millions of taxpayers' money to render services'

which would otherwise be supplied by publicly-regulated private enterprise which pays hundreds of millions in taxes annually in support of government.....

Such projects destroy or replace taxpaying industries, while themselves claiming exemption from the tax burdens of government. They tend to kill the initiative and incentive on which this nation must depend for expansion and employment after the war, unless it wishes to return to a pump-priming and WPA basis until the taxpayer is busted.

OVER \$1,414,200 IS TO BE SPENT IN RURAL ELECTRIFICATION BY ELECTRIC UTILITIES IN STATE, Burlington (Vt.) Free Press, July 18 -- ....This expenditure is included in somewhat over \$9,000,000 that the utilities reportedly plan to spend for rural lines, for new and rebuilt transmission lines, and for proposed generating facilities.....The \$1,414,200 indicated for the construction of rural electric lines will permit the building of over 1200 miles of such lines and when built will make electricity available to between 3,500 and 3,600 farms, rural residences and summer homes.

The information was contained in returns recently requested from the utilities by the public service commission. It includes the replies from some 32 electric utilities and municipal systems operating in Vermont under the jurisdiction of the PSC. It does not include proposed expenditure for rural line construction by the four cooperatives in Vermont since the latter do not come under the jurisdiction of the Commission.

IN BETWEEN TIMES, (Jack Craddock) Pueblo (Colo.) Times, July 27 -- Electricity, in our opinion, has been the greatest single force in the development of our Democracy.....having freed more slaves than Lincoln.....

Even the farmers, remotely removed from sources of electric power, can thank the use of electricity for the tools which help them harvest their crops, but it is time now—with the vast potential capacity this country has for producing power—to bring even the remote ones direct wires to make use of new tools which can increase production and, particularly, make it possible for them to use the thousand and one electric devices, found now in almost every city home, to help the farm wife with her kitchen drudgery.....

Our congratulations to every farmer able to receive the benefits of electricity—whether it comes from the lines of San Isabel Electric or Southern Colorado Power. It is our feeling that both are doing a wonderful job in extending lines to rural communities.

VEPC AGREES TO ELECTRIFY RURAL SCHOOLS, Times Dispatch, Richmond (Va.), July 12 -- Gov. Darden announced today the Virginia Electric and Power Company has agreed to the immediate extension of electric lines to 500 rural schools in central and eastern Virginia..... At the same time the governor said he was working on plans with REA cooperatives and the Appalachian Power Company which call for the same service to be instituted in western Virginia and other parts of the state.

"Upon completion of the work we shall have school rooms which are lighted and in which moving picture equipment can be used for the purpose of instruction," the Governor said.....A preliminary study undertaken by VEPCO reveals 397 schools without electric service in territory now served by the company. These buildings, however, are close to existing REA lines. In addition there are 1,600 schools which the governor said he would ask REA and the Appalachian company to serve.

VEPCO-REA CHESTERFIELD RACE OVER WITH EVERYBODY WINNING, Richmond (Va.) News Leader, July 19 -- The Vepco-REA electrification race in Chesterfield County is over and, apparently, all parties, including prospective patrons, won.....It appears to have been settled amicably enough, and without enough duplication having been done to injure either party seriously.

"The management of the Virginia Electric and Power Company," said Jack G. Holtzclaw, president, "and the Southside Co-operative are working toward a mutual agreement to supply service in Chesterfield and other counties under which there would be no duplication of facilities, and the extension of lines would be made on the most economical basis."

C. S. Hooper, Jr., manager of the Southside Cooperative of Crewe, said the cooperatives and the power company have gone over all lines and have reached a decision as to which will furnish service in the various localities.

PROGRESSIVE REA, Florida—Advocate, July 13 — Today the Peace River Valley Electric Co-operative is doing more to bring new settlers in this section than any other agency. It has grown by leaps and bounds, and substantially, too.....

Within a short space of time every community in Hardee County will be served by the REA and those homes having electricity will eventually install appliances so that every business concern in the city will reap some of the benefits. Prospective settlers who write the local Chamber of Commerce inquiring about the

county ask about some of the modern conveniences.....To know they can enjoy such facilities here in the rural section will stimulate their faith and add to their eagerness to locate in a progressive community.

Tennessee Farm Bureau News, August. -- At the Giles County Farm Bureau picnic Ben Kilgore, assistant manager of a tobacco growers association, was the principal speaker discussing the farmer's responsibility in mechanical development and industrialization.

Mr. Kilgore pointed out the spread of rural electrification and the need for still greater extension of this service, citing Indiana with rural areas 70 percent electrified, while in Kentucky only 25 percent of the farm homes have current, with the national average about 50 percent.

He also referred to the disparity of industrialization of the farmers of the South as compared with those of other areas, and pointed out the need for and development of farm cooperatives side by side with other corporations in this area.

COOPERATION SOUGHT IN RURAL ELECTRIFICATION By J. Louis Donnelly in Journal of Commerce, New York, July 24 -- Cooperation between the public utility industry and the Government in the electrification of rural areas during the postwar period, instead of the keen competition that has taken place thus far, was urged by an industry spokesman.....

Cooperation has taken place in some localities where the local cooperatives and utilities have by mutual agreement undertaken the development of sections without conflict. The results in such cases are reported to have been satisfactory from the viewpoint of bringing service to the farmers.

One point raised by the general utility industry with regard to future rural electrification is that the cooperative movement should be able to stand on its own feet, pay taxes and be subject to regulation.

Instead of competition for customers, it is recommended that a working agreement be made between the various suppliers of power in each territory.... It is also suggested that.....the extent of the subsidy given for each project should be measured by its needs and that the REA should limit its efforts to supplying electric energy to farmers and rural dwellers not receiving service.

NO BATHS IN MOST KANSAS FARM HOMES, Topeka Capital, July 22 -- Ninety percent of the 174,767 rural farm homes in Kansas have no baths, according to a Kansas State College home demonstration agent which was based on information obtained from the latest Federal survey.

A survey of farm housing (Kansas) in 1934 revealed that 62 percent of the farmers of Kansas carry water. Fifty-four percent need kitchen sinks and 75 percent use kerosene and gasoline lamps...."There is little evidence," the demonstration agent says, "that rural housing has greatly improved since 1934, except perhaps in respects to increase in such facilities as electric lights, piped water, and bathrooms, incidental to the rapid extension of rural electrification during these years."

CLEAN, COLD MILK FOR FARM CHILDREN, Editorial in Wallace's Farmer, July 21 — .....  
Some farm families do not have a good milk drinking record. Why?

Clean barns, clean cows, and a refrigerator to cool the milk quickly and keep it cold are a combination that makes milk drinkers of children.

No refrigerator? There will be more on the market soon....See that the children get and like milk. The farm ought to be the best consumer of its own best product.

#### ITEMS OF INTEREST TO THE STAFF

REA ALLOTS \$289,000 FOR MARYLAND CO-OPS TO BUILD RURAL LINES, Washington Star, July 23 — The Rural Electrification Administration has allotted \$280,000 in loan funds for rural power extensions, Dr. T. B. Symons, director of the State Extension Service, announced today.....

Meanwhile, REA officials urged all farmers and other consumers wanting electricity to sign up without delay, pointing out that the number signed members is important in determining which lines are to be built first.

(Similar Extension Service releases featuring future construction plans for REA cooperatives in other States, have been received as clippings from sixteen other papers.)

EXTENSION OF REA UNDERWAY IN GEORGIA, Constitution, Atlanta, July 29 — Major extension of rural electrification in Georgia is under way. Twenty-six of the 44 rural co-operatives in the state have obtained loans which will enable them to extend electric service to more than 12,000 farms.

The Georgia Power Company plans to spend \$700,000 the balance of this year to extend its services to 2,500 farm families in its area. This means the construction of 500 miles of transmission lines, of which 100 is already under way.

These rural extensions will bring the total number of farms and other rural customers served by both REA and the Georgia Power Company to more than 153,000....On the basis of the number of farms electrified, however, Georgia is still thirty-third on the list.

**SEES SHORTAGES DELAYING RURAL ELECTRIC WORK**, Chicago Tribune, July 18 — Two hundred million dollars has been appropriated for rural electrification projects for the fiscal year ending July 1, 1946, but shortages of labor, wood poles, and mechanical equipment may prevent use of all the funds before that date. That was the prospect outlined to the board of directors of the National Rural Electric Cooperative Association yesterday meeting at the Palmer House.

**WETUMPKA ROTARIANS TOLD HISTORY OF REA**, Montgomery (Ala.) Advertiser, July 29 — Maury McWilliams, president of the Central Alabama Electric Cooperative, was guest speaker at the weekly meeting of the Rotary Club. He discussed rural electrification in this section and outlined the history of the REA.

**OPHEIM GETS FIRST REA IN THAT AREA**, Great Falls (Mont.) Tribune, July 13 — The Northern Electric Co-operative, Inc., has established the first rural electrification project in northeastern Montana at Opheim and is negotiating for the purchase of the Opheim Electric Company.

Opheim business people are furnishing the co-op a free office in the Hewitt building. The project has been allocated \$440,000 for the construction of electric lines to serve approximately 800 homes in towns and rural areas....Power for it will be furnished by the reclamation bureau from Fort Peck.

**2-WAY RADIOS PUT ON UNION ELECTRIC VEHICLES**, Star-Times, July 31 — To expedite repair and maintenance matters, 54 "trouble cars" and trucks have been equipped with two-way radio system to permit constant contact with main offices. Satisfactory transmission between the central station and individual cars can be maintained within a radius of about 30 miles, while car-to-car transmission over 30-watt transmitters varies widely, depending largely on the presence or absence of intervening hills and steel structures.

**SIOUX FALLS (S.D.) ARGUS-LEADER** July 13: An account of a Colman (S.D.) council meeting whereat was discussed the need for keeping the REA office located there. After learning how REA plans to expand during the next few years from Mr. Skorr, REA coop manager, it was thought the planned expansion brings about a need for more adequate housing, including the need for a hotel.

**REA PROJECT PLANS POSTWAR EXTENSIONS**, Great Falls (Mont.) Tribune, July 15 — The Park Electric Co-operative, Inc., a rural electrification project serving rural residents of Park and Gallatin counties, is contemplating additional construction after the war. Plans and specifications have already been completed. The state board reports that construction costs were above normal on the 93 miles of its energized line now operating, due to glacial deposits of rock and boulders encountered.

**LINN ELECTRIC CO-OP ENTERS SIXTH YEAR**, Bland (Mo.) Courier, July 19 — Electric service will be extended to many additional farms during the coming year....Relaxation of wartime regulations makes possible completing approved projects, for which funds have already been allotted, as rapidly as materials and labor can be obtained.

"We are making surveys for projects which, when completed, will put almost every rural family in our area within easy reach of our lines" assures Steve A. Schwaecker, manager of the co-op...."During the war years, farmers along our lines have put electricity to work at a great variety of farm tasks, reducing labor requirements...."

(Reference to electrical appliance and equipment needs among the rural consumers and statements about the co-op's financial status ended the story which, in adapted form, appeared in local newspapers serving the communities of 63 other REA-financed cooperatives with anniversary dates in July.)

**THE REA IN ST. LOUIS**, A picture story of REA's part in St. Louis, Star-Times, July 21 — Eight pictures and two insets with underlines give a pictorial account of REA's importance to the city, together with a brief summary of the work it does.

**\$63,000,000 FOR REA**, Editorial in St. Cloud (Minn.) Times, July 11 — Farmers throughout Central Minnesota will be happy to learn that nearly \$63 million will be spent in this state on postwar rural electrification. Thousands of farmers have had their application in all during the war, but only limited material was available. Even where there was some material, there were no men to do the work.

**INDIA ENGINEERS STUDY REA**, Wisconsin REA News, July 15 — Four electrical engineers from India will visit this country soon to study the methods and operations of the Rural Electrification Administration. They wish to obtain information on equipment and methods best suited to bring a rapid expansion of rural electrification in India.

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# REA PRESS DIGEST

A semi-monthly summary of press items pertinent to REA

Vol. IV, No. 4

CURRENT RECORD  
FEB 5 1946  
U.S. OFFICE

October 31, 1945

REA GROUPS PROTEST TAX HIKE PLANNED, Boise (Ida.) Statesman, Aug. 22 — ...A delegation of rural electrification cooperatives protested Tuesday to the state tax commission against its tentative or proposed increases in valuations of the 12 REA's doing business in Idaho. The proposed increases ranged from 30 to 350 percent on individual corporations... "We believe," said State Senator Bandelin who headed the delegation, "that if such an excessive rate is continued to be levied against these associations, they will be unable to reach other farm homes desiring electrical service, which the private utilities cannot and will not reach."

TAX BASE WIDENED FOR CORPORATIONS, New York Times, Sept. 3 — The exemption of cooperative organizations under the Federal income tax law has been confined generally to farming, fruit-growing, and similar activities.... In spite of the fact that provisions for exemptions from tax are intended to be strictly construed, there has been a noticeable tendency to broaden their application. A case is that of the Pickwick Electric Membership Corporation vs. United States... It is a membership corporation organized under the laws of... Tennessee to furnish electricity to its members and non-members.

Revenues in excess of expenses, by provision of the by-laws, were distributable among the member, (1) as patronage refunds... (2) by way of general rate reduction, or (3) by a combination of both. The excess revenues were held to be the property of the members, hence not taxable.

DISMISSES REA POWER CASES, Atlanta Constitution, Aug. 30 — The Georgia public service commission has no jurisdiction to settle territorial disputes between the REA and the Georgia Power Company. Chairman Walter McDonald said yesterday as the commission dismissed a petition of the Lamar County Electric Membership Corporation at Barnesville.

The REA group had sought to prevent the private power company constructing a rural line which it said was in its territory and through which it plans to build an extension—plans which were interrupted by the war. The power company said it had a responsibility to build lines to applicants who chose to receive service from them.

While the public service commission can require utility companies subject to its regulations to extend lines, it cannot prohibit the extension of service in any area, McDonald said. He stated that the state commission has no authority over the REA.

PROPAGANDA WITH YOUR MONEY, Editorial in the Madison (Wisc.) Capital Times, Aug. 13 — The power trust is spending a mint of money... telling people of the advantages of private ownership over public ownership.... The money spent for this purpose is of little concern to utilities since it is passed on to the consumer in his monthly bill.....

But... while the power trusters are throwing away YOUR money attempting to save their privilege of gouging you, public ownership is marching on, turning back to its consumers the money it saves in propaganda expense. Down in Ohio recently three REA co-ops took over a large utility company. The first saving it achieved for consumers was to cut the former connection charge of the private company from \$300 to \$5—the membership fee in the co-op. A few days ago the co-ops announced a rate cut which will save consumers \$26,000 a year.....

VIRGINIANS GET TVA POWER; EAST TENNESSEE AREA ADDED, Knoxville (Tenn.) News-Sentinel, Sept. 13 — ...A new loan allotment by the RE Administration makes possible the construction and entry of low-cost TVA power into Southwest Virginia and a portion of East Tennessee, according to David L. McNeil, manager of the Powell Valley Electric Cooperative through which the new transmission line will operate to provide low-cost power for 2010 consumers now being served by the co-op plus 2118 new consumers to be connected...

When the transmission line is completed, one of the first moves by the cooperative will be to reduce its retail rates for service. Under the TVA, the power distributing agency will supply the co-op with wholesale power at a cost averaging about 7.5 mills per kilowatt-hour. This is 26 percent lower than the present rate of 10.7 mills per kilowatt-hour and 29 percent lower than the average wholesale rate which was being paid by 16 REA-financed cooperatives in Virginia. The savings will be passed on to members of the co-op. (Similar articles in Knoxville Journal, Bristol (Va.-Tenn) Herald Courier, and Powell (Va.) Valley News.

SENATOR AIKEN SEES CO-OPS AS "HIGHEST TYPE OF PRIVATE ENTERPRISE," Cooperative League Service, Sept. 6 — "I see in Washington a constant effort to paint cooperatives as being government owned," Senator Aiken told directors and managers of New England cooperative organizations, guests of Goddard College, at a Conference on Cooperative Education. "Instead they are about the highest type of private enterprise. Actually, cooperatives stand between the people of the United States and government ownership and control in innumerable ways."

The week-end cooperative conference, held at Plainfield, Vermont, was held under the sponsorship of the Vermont Cooperative Council which includes in its membership the consumer, marketing, credit, rural electric and insurance cooperatives in the State.... An extension of education by cooperatives everywhere was urged in order to attain three goals: (1) better informed cooperative personnel; (2) better informed cooperative members; and (3) better informed general public.

ELECTRICITY SALES SET FOR NEW PEAK, New York Times, Aug. 19 — The electric light and power industry of the United States, which had a gross income of \$3,277,000,000 in 1944, is about to embark on an era of unprecedented peacetime income as a result of a greatly expanded market in the manufacture of domestic and commercial appliances.....

So great is the pent-up demand for hundreds of appliances, developed before and during the war, that several large companies which have discontinued production of military equipment have looked closely into the electrical appliance manufacturing field....A marked increase in the sale of electric appliances is further indicated in the results of recent surveys of 2,600,000 wired farms in the nation. Almost without exception, these farms are planning extensive additions to present equipment which is found to be time and labor saving.

Representatives of leading utility companies are reluctant to project a figure as to the number of people which the electrical appliance industry will absorb, but estimates have been given unofficially which point to employment of more than a million men and women in that and related industries, including contractors.

#### DEMOCRACY AND THE COOPERATIVES, Editorial by W. B. Faherty, S. J., Farmers Union Herald, Aug. 17 —

Many Americans think democracy's only problems were Hitler and Hirohito.....they forget democracy's other problems.....One of these is the disparity between the wealth of the few and the poverty of the masses.

To remedy this, some would leave the solution to the "good will" of the powerful captains of industry. The extreme socialists and communists see the solution in complete government ownership. In between these two extremes lies the democratic, the true solution. Not a simple formula, or a single answer; but a co-working of many programs....One of these is the cooperative system....It is an answer to an evil that is eroding the American country.....

#### GET CURRENT TO FARMS, Wallace's Farmer and Iowa Homestead, Oct. 6 — "Get electricity to all farm families who want it." That was the advice given to rural electric cooperatives by William J. Neal, Deputy Administrator of the REA, at the 4th annual meeting of Iowa REA co-ops....That Iowa REA cooperatives will reach out to serve the 100,000 farms without electricity was indicated.

The co-ops requested that army surplus materials be made available to REA, in order to break the bottle-necks in shortage of materials. With these materials they hope to get lines to waiting farmers much more quickly....However, neither the co-ops nor the Deputy Administrator wants to be reckless in the construction of new lines. Neal warned that new electric lines should not be built at such high prices that they will not pay their own way.

#### RURAL ELECTRIC MARKET, Journal of Commerce, Aug. 4 — With rural electrification still in its infancy, it is noteworthy that a county in the Central West will be one of the first in the nation to offer electric service to all of its residents. This county—Kankakee, in Illinois—is attaining its enviable position solely through the efforts of private enterprise.

The Public Service Company of Northern Illinois, which will serve this county, began two decades ago to serve farming areas. Because it was alert to the needs of these areas, long before the government entered the public utility business, there has been no necessity for the Rural Electrification Administration to compete, and the REA has never entered any of the company's territory....The opportunity for privately owned public utilities which displayed foresight before the birth of the REA is indeed great.

#### ELECTRIFIED FARMS, Editorial in Dallas (Tex.) News, Aug. 14 — Unless the farmer can harness the atom to do his work, he will have a big stake in plans now under way by both private power companies and the Rural Electrification Administration to extend power lines in rural areas. California, the leading state in this movement, owes much of her rapid rise in farm output to rural electrification. Today California's rural areas use more electricity than do those of all the rest of the country. Of her 140,000 farms, 134,000 already have electric power, and applications for a thousand more line extensions are on file....

Texas, with more farms than any other but only 30 percent of them electrified, has an even bigger opportunity than California for increasing farm income through electrification. Expansion along this line will not only have the effect of making farming more efficient but also to remove many hardships from farm life, making it easier to keep young people from rushing off from the farms to the bright lights of the cities.

#### HOW ABOUT A WORKSHOP? An article discussing the increased need for such on farms. "The home workshop is going to be a more important department of farm life and management than it ever has been in the past. The new power-driven tools and machinery which have developed as a wartime necessity enable the farmer not only to repair and care for his home and farm equipment, but to add to his needs in that line."

Among the important points in successfully laying out a practical workshop involves proper electrical wiring. It must be done in accordance with the local code (if there is one). Branch circuits must be correctly installed and as a rule this calls for the services of an electrician but may be successfully done by an experienced farm worker with the right tools.

#### MORE HIRED HANDS COME TO THE FARM, by Walter Durham. A full-page spread with pictures in The Commercial Appeal, Memphis, Tenn., Sept. 23. A pattern for a better balanced and more prosperous farm economy for the MidSouth is being drawn by agricultural engineers of the REA, TVA, and private power companies.

With electrical equipment to do many of the time-consuming and muscle-wearing chores....more farmers are diversifying their operations—assuring themselves a year-around income, rather than depending on one cash crop....The new-found leisure enables the housewife to spend more time with her family, improving family life and enjoying to the fullest advantages of rural living.

An abundance of electric power at low rates has attracted small industries to many rural communities, encouraging the establishment of such industries close to the source of raw materials and a dependable supply of labor.....

#### HIRED HANDS BY HIGH LINE, Progressive Farmer, September — Important in the 80-acre farming scheme of Harlin Lane, Carroll County, Ga., is a small electric hammer mill which has ground ear corn, shelled corn, corn stover, soybeans green or dry, sweet sorghums, and grain sorghums. Some months he grinds between 250 and 300 lbs. of feed per day for less than \$5.00 a month....Before he got electricity in 1940, he had to haul his grain 3½ miles to have it ground.....

Ed Holmes in Washington County has gotten on a volume basis with his cannery since electricity became available in 1947. This year about 400 farmers are under contract, and Mr. Holmes expects to pay around \$100,000 for fruit and vegetables, besides a sizeable payroll. Last year it totaled more than \$25,000, much of it going to farm women...."The only hope of the South is rural industries and soil conservation," says Holmes.

**DANGERS OF ELECTRICITY**, The Farmers Guide, Sept. 15 — Now that electricity will soon be, it is hoped, on more than half of the farms of the Middle West, every farmer should recognize the fact that if one does not have experience in handling electricity, there is grave danger of electrocution.

A farmer was at the bottom of his new 7-foot well, tamping it down with a steel rod which was long enough to touch high tension wires running overhead. He was electrocuted. In trying to remove loose sputtering wires from a small pond into which wind had blown them, a man was instantly killed.

Particular care should be taken in removing limbs which have fallen across wires. These wires may have had the insulation removed by rubbing against limbs and on wet days provide plenty of opportunity for electrocution if touched with a pole or rod in attempts to move them.....Electricity is a blessing to mankind, but it can also be a killer if not handled properly.

## ITEMS OF INTEREST TO THE STAFF

**GEORGIA 'POISED, UNITED' FOR PEACETIME LIVING**, Atlanta Constitution, Aug. 20 — Visiting 64 counties....Dr. Louie D. Newton gained inspiration for today and tomorrow, seeing and hearing Georgians interpret the present and chart the future as he travelled in behalf of a hospital building fund.....

Among the many aspects he pointed out, there was the one about "Many of the returning service men and women will become farmers, using their savings to buy equipment and purebred stock, to improve their poultry and to enlarge their canning and freezing plants. Electricity has come to the farm, thanks to the REA and the Georgia Power Company....."

**LOOKS LIKE FAVORITISM**, Editorial in News-Tribune, Duluth, Minn., Aug. 9 — ....It is charged that the RFC bulletin concerning the sale of surplus war property authorizes the REA "to examine and appraise materials being currently offered for sale, and negotiate directly for the purchase thereof." Which, the National Tax Equality Association complains, is decidedly playing favorites, for there is no provision for the small businessman to get such a chance. What the advice of the RFC amounts to is to tell the co-ops how to get in ahead of others....

**CP&L ANNOUNCES PLANS TO EXPAND RURAL SERVICE**, Raleigh (N.C.) News and Observer, Sept. 2 — Construction has begun on a \$3,000,000 rural expansion program calling for approximately 2,400 miles of new lines to serve about 11,000 new customers and others who may apply for service, according to a statement by the Carolina Power & Light Company in outlining its postwar plans....The proposed new lines are scattered throughout the company's territory, covering a part of both the Carolinas.

**MEXICO TO PRODUCE ELECTRICAL GOODS**, N. Y. Times, Sept. 11 — A new company has been formed by American and Mexican interests....It will be known as the Industria Electrica de Mexico and will manufacture or assemble motors, transformers, generators, switchboard and switchgear, refrigerators, home radios and household appliances under agreement with Westinghouse for licensing and for technical assistance. The new plant is expected to be in limited production before the end of 1946 and in full operation by the end of 1947.

**HART LAUDS PROGRESS ON CONVERSION**, Hart (Conn.) Courant, Aug. 29 — Connecticut is far out in the forefront of reconversion and readjustment "and will probably get it all done before the Federal government comes along" with a program, U. S. Senator Thomas C. Hart said in a recent talk. Describing the state as one of the most progressive in the union, he pointed out Connecticut and Rhode Island as the only two out of the 48 in which the REA had not undertaken a program.

**Wallace's Farmer and Iowa Homestead**, Oct. 6 — "The REA estimates that in Iowa the average farm consumer is ready to spend \$145 in home wiring just as soon as he can get it done. The snag is, it's almost impossible to get linemen, electricians, truck drivers and the like."

**REA REPORTS BORROWERS RESUME LARGE SCALE CONSTRUCTION**, Mid-West Contractor, Oct. 10 — Borrowers of REA loan funds in Missouri, Kansas, Nebraska, Iowa, and Oklahoma are resuming large scale rural power line construction, unfolding new opportunities for contractors during the reconversion period.

REA believes line construction work will create 47,500 man-years of labor, not including wiring and plumbing installation nor the manufacture, sale, and maintenance of electrical equipment as being other sources of employment in the program.....

**PLAN ELECTRIC POWER FOR ALL ILLINOIS FARMS**, Springfield Illinois State Journal, Aug. 17 — "We are entering the biggest program ever undertaken," said Wm. J. Neal, who spoke in place of Claude R. Wickard who could not be present, as he pointed out that the REA has allocated \$300,000,000 to begin the reconversion period.

The REA official painted a bright picture for war workers, many of whom will be thrown out of work in the near future, and who will be absorbed in the great development program to be started almost immediately, Neal said.

**250 ELECTRICIANS NEEDED IN N. D.**, Bismarck (N.D.) Tribune, Aug. 29 — A conference of farm and labor leaders, REA representatives, and state officials called by Gov. Fred G. Anadahl here learned that at least 110 more electricians are needed in North Dakota by March, 1946, and that the state can use double the 250 it now has for at least the next five years....It was pointed out that in addition to constructing REA lines, qualified electricians will be needed for farm wiring to prevent fire hazards and make later rewiring unnecessary.

**WISCONSIN REA CO-OP DISCOVERED VALUE OF PLANE PATROL LONG AGO,**

September

The use of an airplane for patrol of REA lines is nothing new in Wisconsin. The Chippewa Valley Electric Co-operative of Cornell used an airplane back in September, 1941, to patrol its lines along the flooded Chippewa river. Skimming the raging water at low level to check the miles of line that border the river and the crossings involved, damage was quickly located through the cockpit door. In many sections only the tops of REA poles were out of the water.

**REA READY TO RESUME POWER LINE BUILDING,** New York Times, Aug. 23 — Resumption of the Rural Electrification Administration's construction of power lines, giving jobs to thousands of men and stimulating production of electrical equipment, has been made possible by release of war materials, Claude R. Wickard, REA Administrator, said today. "Steel, copper and aluminum, which have been going into guns, shells and planes, will now help to brighten the lives and lighten the work of America's farmers," said Mr. Wickard.

**RECONVERSION PLAN WEIGHED: IS IT ADEQUATE?** Christian Science Monitor, Aug. 16 — ... But in case industry fails to provide fully the jobs for reconverted war workers and returned servicemen, the government has still to indicate the extent of the public works program. Projects proposed include..... an augmented REA program. Details REA CO-OP FIGHTING TO GO ON

**WALLACE EXPLAINS JOB PROPOSAL,** Baltimore Sun, Sept. 16 — He proposes land conservation, forest development, rural electrification, and TVA-development of our river valleys as ways to provide better employment and living.

**SUPPLY OF COPPER TO EXCEED DEMAND,** New York Times, Aug. 26 — A heavy oversupply of copper seems inevitable over the next few years. This stems from the huge stock piles built up by the U. S. and British Governments in the war years, the recoveries expected from armaments and battlefield scrap and the increase producing capacity built up to meet the demands of war.

**VAST STATE REA PROGRAM TO EMPLOY MANY WORKERS,** Great Falls (Mont.) Tribune, Sept. 2 — Rural electrification expansion in this state offers prospects of immediate employment for a substantial number of returning service men and discharged war plant workers, according to an REA survey. Workers most urgently needed are truck drivers, men to dig holes and clear rights-of-ways, linemen to string lines, and electricians to wire the premises of consumers. (Similar state stories in Atlanta Constitution, Omaha World Herald and many other papers).

**A TEST FOR CONGRESS,** Editorial in the Bismarck (N.D.) Tribune, Aug. 21 — At a time when the governmental swing seems to be toward conservatism, it is worth noting that an effort now is being made to expand the rural electrification administration's authority... Until the last few years, rural electrification was frankly regarded as radical. It now has been accepted and even conservatives take it as a matter of course unless they are closely aligned with the private electric companies. Persons who are conservatives with regard to everything else favor the REA system because they see in it a benefit to themselves.....

**REA OPENS THROTTLE,** By Marr McGaffin in the Minneapolis Tribune, Aug. 26 — The greatest expansion in rural electrification's history is scheduled to take place during the next two years. Approximately \$300,000,000 worth of new transmission and service line construction is waiting only on the availability of materials and labor. Some work is already under way. By early spring of next year, the program is expected to be going full blast.

**COASTAL REA PROJECT ANNOUNCED,** Raleigh (N.C.) News and Observer, Aug. 18 — The \$142,000 REA appropriation includes \$82,000 for a distribution line from Rodanthe, on the northern end of Cape Hatteras Island, to the southern end, and \$60,000 for construction of a generating plant either at Avon or Buxton.

**MVA SEEKS REA SUPPORT,** The Farmer, Oct. 6 — The MVA Regional Committee.... is seeking both moral and financial support from REA co-ops and patrons.... Leif Erickson, former supreme court justice in Montana and chairman of the committee, suggests that each REA patron pay in \$2.00 to support the committee's work and that REA co-ops subscribe larger amounts. The Pipestone-Rock County REA has contributed \$100.

**ARE YOU READY FOR ELECTRICITY?** (Article in the agricultural section of the War Finance Bulletin preparing for the Victory Loan drive.) In urging farmers to buy bonds, the Treasury ties in the thought that money invested now in bonds will come in handy later to wire the entire farmstead and buy the equipment needed to make full use of electricity.

"Now, when farm income is high, every farm family should be saving to link up with the highlines that'll be coming down nearly every country road within 5 years.... Start buying bonds to cover the cost of wiring installation."

**UTILITY INDUSTRY IN YOUNGER HANDS — PUBLIC GETS MORE ATTENTION,** New York Times, Sept. 9 — Characterized for more than half a century by the pioneering or empire-builder type of leader, the electric utility holding and operating companies of the nation are today almost completely managed by a more consumer-conscious type of executive. Following its first period of expansion, many founders of this third largest industry developed an aloofness to public service beyond that rendered as incidental to the continuation of their empires.

**ALLOTMENT MEANS ELECTRIC SERVICE IN NEAR FUTURE,** Crofton (Nebr.) News., Sept. 26 — The North-Central Nebraska Rural Public Power District has received a loan allotment of \$325,000 from the REA to finance construction of rural power lines.... Construction.... will be pushed as rapidly as materials and labor can be obtained.... "It is our purpose to see that rural electrification in our area keeps pace with its advance in other sections of the country.".... President Fritz Rokahr declared.... "Our co-op hopes to serve everybody in our territory who wants electricity."....

(Story in six other papers in the territory of the Rural Public Power District. This allotment release story was sent to 70 other co-ops during September, and clippings from scores of papers have been returned to REA.)

# REA PRESS DIGEST

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A semi-monthly summary of press items pertinent to REA

VOL. IV, NO. 4 ~~25~~

December 12, 1945

**OPPOSE REA EXPANSION OF 500 MILLIONS,** By Marr McGaffin in Des Moines (Ia.) Register, Oct. 17—The proposed 500-million dollar expansion of REA's lending authority met vigorous opposition at the open hearing before a house interstate commerce subcommittee.

Three witnesses, representing southern Minnesota municipalities and rural cooperatives, charged that the measure is designed to permit the REA to develop huge power generation and distribution grids which, they asserted, will swallow up or destroy all existing municipal power plants and private companies now serving rural cooperatives.

One of the witnesses, Lee M. Nelson, municipal utilities manager at Rochester, told the committee that "REA is more interested in developing a system of power plants and transmission lines than it is in bringing electricity to the greatest number of farmers at the lowest possible cost."

**MONTANA RURAL ELECTRIFICATION MOVES INTO HIGH,** Montana Farmer, Nov. 15—Rural electric cooperatives in Montana have resumed power line construction on a much larger scale than before the war and are bringing electricity to the farms and ranches of the state as rapidly as materials and labor can be obtained....

Many ranchers and farmers....learned the true value of electricity in agriculture during the war. They demonstrated that with electricity they can produce more with less labor and at the same time improve their living conditions. In numerous cases availability of power meant the difference between quitting or staying in business.....

In addition to the many jobs in connection with the construction program and the supplying of appliances, attractive opportunities lie in small industries and businesses made possible in rural areas by the availability of electricity. Natural resources can be developed and industry brought closer to the sources of supply when an area is electrified. Wood processing plants, canneries, creameries and dehydrating plants are a few of the possibilities.....

**INCREASE SEEN IN REA CO-OPS,** Lima (Ohio) News, Oct. 29—...With 44.7 per cent, or less than half, of all farms electrified, the government is pushing the REA program. Effort will be made, according to some authorities, to keep out of areas which can readily be served by private power interests.

Private power and other business interests object to unwarranted extension of REA because the latter is not subject to tax, and, all other factors being equal, should be able to operate at less cost than private companies.

Electrification of all rural homes would greatly increase employment, authorities say, by opening up a new market for various home improvements and appliances.

(Similar articles, dealing with the percentage of farms as yet unserved as well as the extent of the rural electrification program planned, appeared in the following papers: Huntsville (Ala.) Times; Little Rock (Ark.) Democrat; Atlanta (Ga.) Constitution; Nashville Tennessean; Wilmington (Del.) News; and Minneapolis (Minn.) Tribune.

**ELECTRICITY FOR ALL,** Burlington (Vt.) Free Press, Oct. 19—It is evident from the reports at the meeting of the rural policy committee in this city that it will not be long before practically every home in Vermont will have electricity available if present plans are put in effect.

Albert A. Cree, manager of the Central Vermont Public Service Corporation, and Harry Boyman, manager of the Vermont Electric Cooperative, outlined plans for extension of electrical service to rural areas of the state from the standpoint of the public utility company and the Rural Electrification Administration. Between them they outlined plans for construction of new lines which would make electricity available to approximately 2,000 of the 5,000 farms still without electrification in Vermont.

PAULINE M. WHITLOCK  
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WITH LABOR SCARCE FARMERS MAY STRING OWN ELECTRIC LINES, Topeka (Kan.) Capital, Oct. 17—Kansas farmers may have to string their own REA lines if the labor situation continues to retard contractors from making bids....Instead of the three bids required by REA regulations from contractors, REA is having difficulty in receiving even one bid. Contractors complain the wages of the laborers they hire are unstable, and they are not sure they would be able to complete the work without loss of money.

"But we are not going to be stymied in our work by such conditions," Henry C. Fonke, an official, declared. "We are going to get the job done if we have to appeal to the farmers to do it." He believes the farmers would be willing...."It is our task to pave the way for better living on farms in the future."

U. S. TRYING TO SOCALIZE UTILITY INDUSTRY, Globe-Democrat, Nov. 7—A utility company executive asserted today that the government is using the holding company act of 1935 to "bring about the socialization of the utility industry."

"What kind of a yardstick is it that has 36 inches for one fellow and about a fourth as much for the other fellow?" asked J. Wesley McAfee, president of Union Electric Company of Missouri and subsidiaries. "The public should know all there is to know about the public versus private power operations, and settle the issue....The people are going to have to decide whether they want government operation of all the power business, and what effect this would have on the socialization of other business."

RURAL ELECTRIFICATION HEARINGS SCHEDULED, Little Rock (Ark.) Democrat, Oct. 16—The Arkansas Public Service Commission today set for hearing on October 24 four applications of the Arkansas Power & Light Company, and two by rural electric cooperatives for authorization to expand operations in several counties.....

In addition to applying for permission to install new lines, the Cleveland and Lincoln Cooperative also ask the commission to deny requests of the Arkansas Power & Light Company, and the First Electric Cooperative, Jacksonville, to serve some of the territory it seeks.

LESS DEMAND FOR PUBLIC OWNERSHIP OF POWER CONCERN, Globe-Democrat, Nov. 13—The Securities Commission reported today the 1935 holding company act has caused a "house cleaning" and lessened demands for public ownership of utilities.....

"I suggest that whatever may be one's attitude concerning public versus private ownership," SEC Chairman Ganson Purcell said, "it must be recognized that the tendency toward public ownership of electric....utilities would be immeasurably stronger were it not for the greatly improved conditions in the electric....utility business which have been achieved by federal regulation..."

REA COOPERATIVES SHOW URGENT NEED OF TWO-WAY RADIO COMMUNICATION, Rural Electrification, (NRECA), October 1945—Two-way radio communication on REA co-op projects would pay for itself many times over in the reduction of loss in kilowatt hour sales due to speeding up of restoration of service....Present FCC regulations permit two-way communication in cases of emergency to life and property, but REA cooperatives are asking that this be broadened in scope to include general service calls.

PROSPERITY FOLLOWS COCHISE POWER LINES, Arizona Farmer, Nov. 17—Cochise County is not what it used to be, and rural electrification is mainly what changed it. Life has been made a pleasure instead of a struggle for hundreds of farm families.....

The Sulphur Springs Valley Electric Cooperative serves 795 farms....On 165 of those farms there are electrically driven pumps irrigating new lands producing huge crops of alfalfa, sorghum, corn, chili beans and vegetables....Rates aren't excessive, either. Bills for pump power run as low as 1 mill per kilowatt hour and average 1.6 mills....And rates will probably go still lower if Colorado River power is ever made available in Southern Arizona.

How much employment has been created? How much land....has been made richly productive? How much food has been produced? How much new wealth has been created? No matter—the total certainly is several times the investment which the REA has made and is getting back ahead of time.

WANT TO WORK FOR TWO CENTS A DAY? Farm Journal, November 1945—....A radio in the barn may be only a pleasant luxury, but a milking machine that cuts milking time to three minutes per cow is hired help that works for less than the poorest-paid coolie in China.

A hard-working man expends energy at the rate of 1/10th of one horsepower. A one-horsepower electric motor, therefore, will deliver as much work in one hour as a man can do in a 10-hour day....The man may cost \$4 a day, but the motor, accomplishing the same work in an hour, will work for less than 4 cents (where the power rate is 5 cents per kilowatt hour). That's 1/100 of the cost of the man.

Moreover, the longer the motor works, the cheaper its wages become. In many areas, where electricity is doing a full-time job on the farm, one-horsepower motors are working for as little as one cent an hour. Five-horsepower motors are doing the work of 50 men each hour, for less than a nickel an hour....Can any farmer afford to pay human help a living wage for two cents' worth of work a day? Can a man afford to sell his own time so cheaply, especially when prices begin to fall?

INDUCTIVE COORDINATION OF REA LINES AND BELL SYSTEM LINES, By Lee M. Moore and H. R. Huntley in Electrical World, Oct. 13—Electric Power and telephone distribution systems must necessarily be close together in many cases because they serve the same people. Under these conditions, noise may be caused in the telephone circuits by induction from the power system. Unless precautions are taken, this noise may in many cases be great enough to impair telephone service; in extreme cases, it may make telephone service impossible.....

The problem centers around inductive coordination....Because of the long history of successful coordination of power and telephone systems and the testing of power and telephone systems and of the testing techniques and apparatus which had been developed, it was practicable for the REA and the Bell System to start almost immediately on a joint program of research and investigation.....

As more experience is gained, the investigations increase in efficiency....One of the primary reasons why REA-Bell System jobs can be handled efficiently and economically is the wealth of information provided through the years of work of the Joint Subcommittee on Development and Research....With such a sound base to grow on, the art of inductive coordination in this field has advanced in almost direct proportion to the four-fold increase in the past decade in percentage of number of farms having electric service.....

REA WORK RESUMED IN MOUNTAIN STATES, Rocky Mountain Contractor, October 1945—Borrowers of REA loan funds in Colorado, Utah, Wyoming, Montana, Idaho and Nevada are resuming large scale rural power line construction, unfolding new opportunities for contractors during the reconversion period.....

REA believes that the line construction work, including fabrication of materials, will create 8,500 man-years of labor. This does not include the labor that will be needed to install wiring systems....Neither does it take into consideration the labor that will be required to install plumbing systems.....

The manufacture, sale, installation and maintenance of electrical equipment, for which REA believes each new farm consumer will spend an average of about \$400, is still another source of employment in the program.....

BEYOND THE CALL OF DUTY, an ad in The State, Oct. 21,—by the Duke Power Company—It is a gratifying fact to the Duke Power Company that, besides supplying electricity to its farm customers at the same price paid in towns and cities, it supplies power to REA for those regions beyond which a tax-paying company can take its own lines and remain in operation.

As a private business we must pay our own way and help pay REA's way as well....Supplying power to REA for areas joining our own is that little margin beyond the call of duty in which we, like other citizens, take special pride.

Yes, we are for rural electrification and plenty of it, soon.

THE FIGHT FOR RURAL ELECTRIFICATION by H. H. Messick in the Raleigh (N.C.) News and Observer, Oct. 7—The efforts of rural people to obtain electric power are not peculiar to any one state...The problem is nation wide: almost everywhere farmers have sought to obtain electricity, and almost everywhere the private utilities have resorted to extreme measures to prevent them.

It was in Johnson County (N.C.) in the early days of the REA that the farmers decided that further appeals to the Carolina Power & Light Company would be useless. They applied to REA....and when plans were well advanced, difficulties suddenly arose. Key members of various communities changed their minds--a well-organized propaganda program that might well have made Dr. Goebbel's blush for shame, was being skillfully executed.

When everyone was completely confused, the CP&L brought forth a proposal. If the cooperative would dissolve, the power company would build a few miles of line, and pay whatever expenses the co-op had incurred. By contrast, in the past they had demanded that the farmers do the paying--paying the company large prices for every mile of line they built.

Next "spite lines" followed....And an affidavit was presented to the effect that the president of the CP&L had stated he would spend one million dollars to prevent a cooperative from establishing itself in Johnston County....Under such impacts, the project was killed off and the results were soon manifest. A few miles of lines were built while the remainder of the county continued in darkness.

Learning from the pitfalls which the power company had provided the first cooperative attempt, another co-op starting in North Carolina went forward to success although the power companies attempted another strangulation. With one REA co-op at last operating freely in the state, the vision swept like a forest fire to almost every county. The way had been cleared; a trail had been blazed.

PEACE RIVER FAMILIES GET ELECTRICITY, By J. A. Murray, Tampa (Fla.) Tribune, Oct. 28—Linemen are stringing electric wire along single-lane country roads to farm homes in these parts with the aid of the REA; and a thousand more families round about will shortly find life more livable as a result.

Country people who all their lives have had to go to town to see a bright light will have bright lights of their own. They will be able now to buy the same kinds of washing machines and refrigerators town people use, electric irons and heaters, fans, the same kind of radios and at last a power pump to put water in their homes.

MARKET ON THE FARMS, Providence (R.I.) Journal, Oct. 21—The six million farms of the nation have a tremendous backlog of needs that will help keep industry's wheel humming for a long period....of the estimated backlog of some 16 billion dollars that farmers have saved in the past four years, much of it is undoubtedly ear-tagged for equipment needs.

A further expansion of the market on the farm will come as private utilities and the Rural Electrification Administration extend power lines along the nation's 2,405,894 miles of rural roads as yet unserved by electricity....Fulfilling the needs of the farm market will help keep labor and industry busy. And in turn, a high level of industrial activity means a ready market for the farmers' products.

REA IS ACCUSED OF DISCRIMINATION, World-Telegram, New York, Oct. 30—Col. O. R. McGuire, general counsel of the National Electrical Contractors Association, said today that the REA discriminates against contractors who also do business with private utility concerns....

He produced a letter signed by Claude Wickard, Head of the REA, which said the "very substantial conflict of interests which results when a contractor performs work for the utility company and the borrower in a competitive area is sufficient justification for the borrower's not accepting the contractor's bid."

EXPERIENCE IN ELECTRIC HAY DRYING, The Agricultural Leaders' Digest, October 1945, By Dan W. Teare—Curing of hay in the barn with electrically powered driers is becoming a common farm practice in many parts of the country. The principle of the drier is simple....wooden ducts built on the mow floor through which air is forced. The main duct carries the air to smaller lateral ducts which have open bottoms through which the air is forced outward and upward through the hay.

Research shows.....the hay drier is feasible because: (1) It produces higher grade hay; (2) reduces loss and damage of crops by rain; (3) increases mow storage space; (4) cost of installation within reason; (5) and cost of operation is reasonable.

DESIGN SEPTIC FARM TANKS, Fargo (N.D.) Forum, Oct. 28—....One of the boons which has come to farm people with the coming of electrical energy through the rapidly expanding REA systems, is the opportunity for completely modernizing the farm home, including running water systems.

Helping farmers modernize their farm homes by showing them how to solve one of their most difficult problems, the disposal of sewage, has become one of the major projects of the extension service and agricultural engineering department at North Dakota Agricultural College.

## ITEMS OF INTEREST TO THE STAFF

PUBLIC POWER QUESTION ARISES IN HEARING, Reprint from Wall Street Journal in the Federal Power Commission's Daily News Digest, Nov. 6—The issue of public versus private power was raised in a congressional committee yesterday.....Rep. Carl Hinshaw (Rep. Calif.) said it was about time the issue was decided by Congress. Either all power should be publicly owned, Mr. Hinshaw said, or all utilities should be taxed equally, whether publicly or privately owned.

The chairman of the committee hearing, Rep. Lyle Boren (Dem., Okla.) agreed that Congress should decide in a positive manner whether the U. S. is to have universal public ownership of power utility. Mr. Boren condemned "back door, piecemeal methods" which he said are increasing the scope of public ownership.....It is the committee's business, Boren said, to discover whether liquidation under the Holding Company Act is permitting capitalization of tax exemption and tending to destroy private companies.

Excerpt from Washington Wire column in the Wall Street Journal for Oct. 19—The Edison Electric Institute thinks the REA can substantially electrify the rural U. S. on \$300 million, but that agency's officials estimate they need \$1.6 billion for the job.

Item from the Farm Journal, Nov. 13—Rural electric co-ops in 21 states are now out of cash; poles are short. Hence construction lags.

KENTUCKY CO-OP LEADER HERE, Post-Dispatch, Nov. 24—Kentucky rural electric cooperatives are increasingly concerned with wholesale power rates, since they pay out about one-fourth of their gross incomes for energy, Wm. C. Dale, Kentucky co-op leader, told the Post-Dispatch while visiting headquarters of the REA here this week.

ROLLA GETS TITLE TO UTILITIES, Post-Dispatch, Nov. 2—Title to the light and water properties of the Missouri General Utilities Co. was acquired yesterday by the city of Rolla and five nearby electric cooperatives.....The electric transmission system and a stand-by power plant were among physical properties involved.

REA AT PIPESTONE WILL GET BUILDING, Daily Argus-Leader, Sioux Falls, Oct. 29—One of the major building projects in Pipestone during the coming year will be the erection of a large headquarters building for the Southwestern Minnesota Rural Electric.

PACIFIC GAS & ELECTRIC, Wall St. Journal, Oct. 27—Complete electrification of the farm areas served by Pacific Gas & Electric Co. is scheduled for late next year. The company already serves 75,000 of the 82,000 farms in the territory.

ELIGIBLE FOR REA, Daily Worker, New York, Nov. 1—More than half Nebraska's farms are eligible for Rural Electrification loans. A survey showed that 84,012 or 69.4 per cent of the total, still are without central station electric service.

REA PLANS HASTENED, Argus-Leader, Sioux Falls, Oct. 29—Project maps are in the hands of engineers and engineering details are nearing completion for the Tri-County Electric Association, a rural electrification project.....The board of directors has placed orders for poles, conductors, transformers, and hardware for spring delivery.

STATE HAS MANY FARMS WITHOUT ELECTRICITY, Great Falls (Mont.) Tribune, Oct. 22—Since 30,472 Montana farms, or 72.9 per cent of all farms in the state, are still without central station electric service, \$903,924 for REA loans has been allocated. ....This is the state's share in half of the \$200,000,000 fund authorized for REA loans during the current fiscal year.

THE FUTURE CONTAINS AN INVITATION, Oregon Journal, Oct. 29—in speaking of Portland's future, her mayor outlined, "Center for industrial and agricultural accomplishment based upon research for the development of the entire Pacific Northwest—all aided by power, man power as well as electric power."

NO MORE SHOVELING, Fortune, October 1945—Farmers have often said that labor-saving gadgets are fine, but that none of them do the worst farm job of all—cleaning out barn gutters. Inventors have now tackled the problem and come up with not one but a whole series of barn cleaners.

Almost 30 of them are now being tried out on farms....The REA estimates that the total annual cost for depreciation, repairs, and power on a gutter cleaner should not exceed \$100... Simple home-built cleaners can be constructed for as little as \$50.

UNIFORM PRICE SET FOR APPLIANCE LINE, New York Times, Oct. 17—Edison General Electric (Hot-point) Appliance Company Company today announced establishment of a nationwide uniform pricing policy, the first time in the history of the appliance industry that major electric appliances have been offered at uniform prices, with Federal taxes and delivery to any point in the nation included in the nationally advertised price.

President Truman, in his message to the Annual Meeting of the Federal Interdepartmental Safety Council on Nov. 20, referred to the fact that the Department of Agriculture through vigilant attention to safety matters has reduced its frequency rate for accidents from 18 to 8.

